RECENT EVENTS AND PRESENT POLICIES IN CHINA

J.O.P. BLAND

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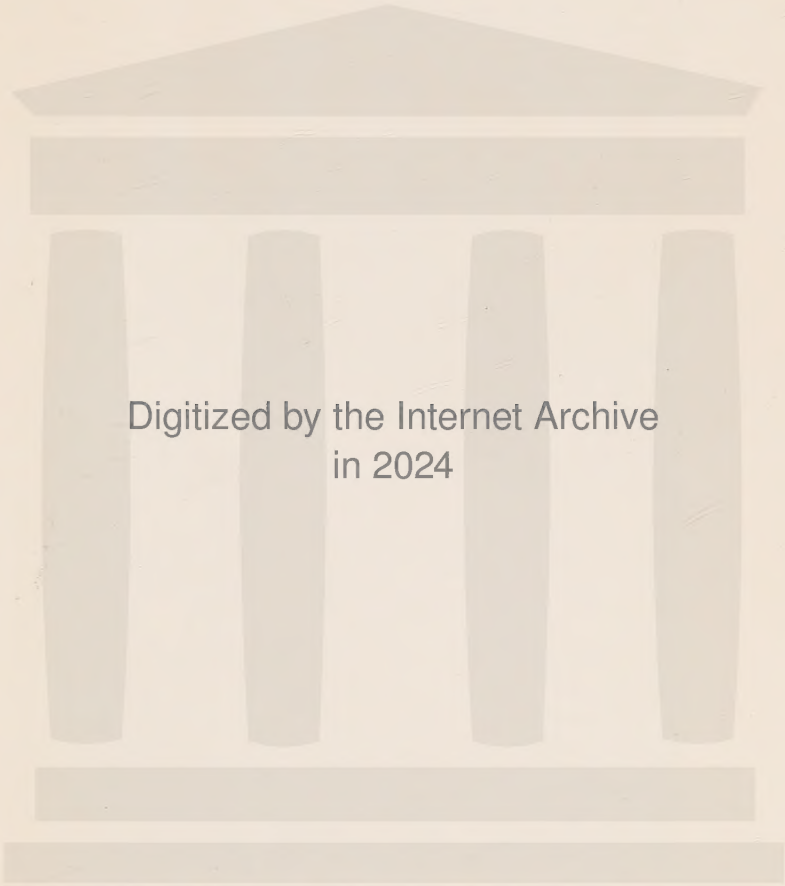
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YUAN SHIH-K'AI PAYING A VISIT TO THE GERMAN LEGATION.

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RECENT EVENTS AND PRESENT POLICIES IN CHINA

By J. O. P. BLAND,
JOINT AUTHOR, WITH E. BACKHOUSE, OF
"CHINA UNDER THE EMPRESS DOWAGER"

ERRATA.

Page 33 : line 10—for November, read *March.*
Page 38 : line 1—for Christian, read *Chinese.*
Page 308 : line 18—for anti, read *Ante-*

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LONDON, *October*, 1912.

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CHAPTER I

THE CAUSES OF CHINESE UNREST

If it were possible, by means of some international agency or Carnegie Court, to take out Life Insurance policies for nations, and if these national applicants were required to supply precise information regarding their ancestry, the evolution of their social state, their transmitted tendencies and acquired habits, China would doubtless be passed as a "good life" because of her long tested vitality, but the premium on her policy would be a high one, by reason of her increasing tendency to dangerous forms of excess and to certain symptoms of organic disturbance. Under the actual conditions of the problem, a social scientist, called in to advise on China's case, could only rely upon general surmisings, uninformed by accurate data concerning the nation's early history and processes of development; for the Chinese, like the Hindoos, have ever been peculiarly lacking in historic consciousness. The annals and records of successive dynasties provide little or no material for critical or scientific study of the evolution of the nation's laws, institutions and culture. The store-room of the Chinese race's past is a dark lumber place, full of musty relics, ancient myths and ghostly whisperings; we search it in vain for the cradle, the childhood's toys, the school books and discarded garments of former days. And since it is only within the last century that this primordial elder brother of the human race has been brought to speaking terms with

the outside world, our estimate of his earlier intellectual and political struggles is largely conjectural. Moreover, it has been subjected to many distorting influences, not the least of which has been the hypnotic effect of Chinese literature and philosophy upon the minds of those European scholars and observers who have studied and reflected them.

The scientific interpretation of sociological phenomena, by the accumulation and critical comparison of groups of facts, and by the tracing back of proximate causes to those more remote, presupposes continuous and fairly trustworthy historical records. In their absence, something of the structural development of a nation may be traced in its monuments and archæological relics; M. Aurel Stein has shown what may be done in this direction by his researches and discoveries in the buried cities of desert Cathay. But the social and historical data required to enable us to reconstruct and understand the gradual evolution of China's social system, data of the kind collected by Herbert Spencer as the basis of his "Descriptive Sociology," are not at present available; nor, indeed, has any investigation of the country's existing phenomena been made upon systematic methods of observation and deduction. The practical value of such investigations has been conclusively demonstrated in recent years by the work of French social economists, and notably in the writings of Edmond Demolins and Léon Poinsard; but the field in China is so vast, the difficulties of accurate observation so many and formidable, that the individual and independent efforts of a few enthusiasts have produced but little result. Mr. E. T. C. Werner's "Descriptive Sociology of the Chinese," published last year by the Herbert Spencer Trustees, purports, it is true, to describe "the morphology, the physiology and the development" of China's civilisation. It is a monumental work, containing extracts from eight hundred Chinese authors and 238 European writers, but the evidence of this cloud of witnesses is vitiated as much by what Spencer would call the subjective states of the

European observers, as by the Orientals' lack of historic sense. Amidst much irrelevant matter, compiled by Chinese annalists, and many contestable inferences from the incomplete or biassed observations of Europeans, the student of social science can gather but little valid evidence to justify any definite conclusions. The chief conclusion to be drawn from China's historical records tends, indeed, to justify Froude's opinion, that history does not provide subject matter for science. In endeavouring to determine what are the laws of the natural forces at work in China's social system, and what their ascertained effects, we are therefore driven back upon first principles, and upon such general conclusions as may reasonably be based upon the exact knowledge acquired during the last half-century.

CONTEMPORARY OPINION ON THE RACIAL QUALITIES OF THE CHINESE.

Examination of the books published about China and the Chinese since the outbreak of the Revolution last October, as well as the opinion of European journalists now resident in that country, reveals a very general growth and concurrence of opinion on two subjects—firstly, that the time-honoured conception of a wide gulf, moral and intellectual, between East and West is gradually fading into the limbo of exploded shibboleths; secondly, that the Chinese race has witnessed, or is about to witness, the beginning of a new era, the dawn of a new day. As regards the first of these subjects, it is interesting to look back to the early days of European observation of the Chinese, and to see how clearly defined was the idea that no accurate conception of the Chinese individual or national character could be formed by the Western mind. "Some day, perhaps," wrote Mr. Wingrove Cooke, *Times* Correspondent in 1858, "we may acquire the necessary knowledge to give to each of the glaring inconsistencies of a Chinaman's mind its proper weight and

influence in the general mass." To the Jesuit missionaries of the seventeenth century the Chinese were an utterly incomprehensible race, to be reclaimed only by the grace of Providence and the Christian religion. But the observers of to-day are coming to the opinion that human nature is much the same all the world over, that the great brotherhood of man is something more than a name, and that differences of customs, traditions and social systems act only as barriers between nations because of the common human weakness of measuring other peoples' actions and conditions by the standard of our own habits and prejudices. Thus we find Professor Reinsch, one of the latest writers on the intellectual activities of the Far East, observing that "the conventional and vulgar antithesis of the Orient to the West, with its sharp delineation of contrasts, has been altogether misleading." The fact is that, in the state of general knowledge existing fifty years ago, it was difficult for the European in China to appreciate a mental state so different from his own, and to sympathise with the actions and conditions resultant from that state. Therefore, in our earlier geographies and text-books, China figured generally as a sort of fantastic topsy-turvy land, a land of pagodas and pigtails and porcelain, where people ate birds' nests and chow dogs, where merchants and missionaries struggled eternally with elusive mandarins, against a background of willow-pattern serenity chequered by periodic cataclysms. The Chinaman, as an individual, was regarded as a bundle of hopeless contradictions, much in the same way as good Scotchmen hold the Irish to be troublesome and wayward children. The East and West of Mr. Rudyard Kipling were doomed to be eternally divided, to watch each other for ever and ever, mysterious and menacing shadows, from opposite sides of a great gulf. Remembering how strongly this opinion impressed itself for many years upon our policies and our literature, there is food for thought, and perhaps for cynicism, in the suddenness with which we have become conscious of the fact that nothing essential now

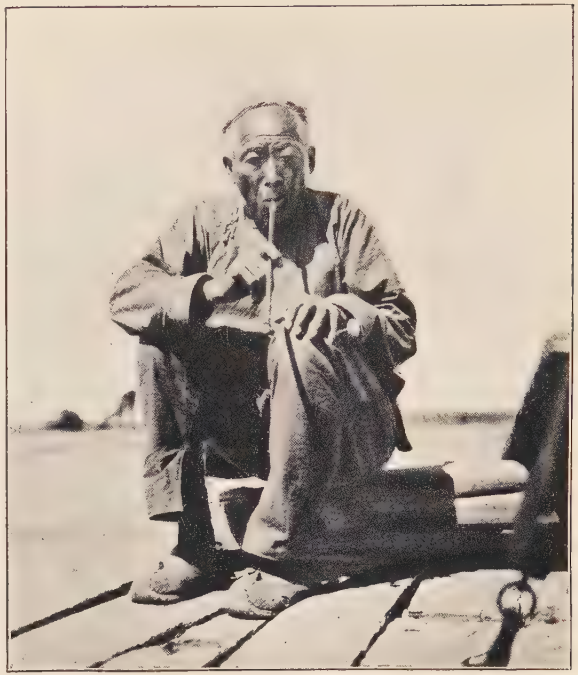
divides East from West, and that, to quote one of Professor Reinsch's typical conclusions, "by profoundly influencing each other, they will both contribute their share in developing the all-human civilisation of the future." The Confucian maxim that "Within the Four Seas all are brethren" has suddenly asserted itself, simultaneously with the birth of new political aspirations in the Orient, and it is supported by many European writers in conclusions framed on lines of more or less systematic observation. Amongst the writers of the previous generation the Spencerian attitude was rare (Baber, Meadows and von Richthofen are notable exceptions), and their observations, as a rule, were based on the assumption of inherent and ineradicable differences of human nature between East and West. It may be that the appearance in China of dynamiters and suffragettes, and other evidences of mankind's common instincts and common destiny, have helped to modify the observer's standpoint; at all events, the present unanimity is remarkable. Nearly all the writers of to-day recognise the necessity for close and systematic study of the social and intellectual life of the East as the first essential towards a good understanding by and with the West. Mr. E. J. Harrison, in "Peace or War East of Baikal," confesses that "when one comes to understand the underlying motives of Oriental thought, one sees, often enough, that the logic of the situation is not entirely on the side of the Westerner." Professor E. A. Ross, after half a year of travel and inquiry in the Far East, scoffs at "the old China hand's" conception of the Chinese as inscrutable mysteries.

"The fact is," he says, "to the traveller who appreciates how different is the mental horizon that goes with another stage of culture or another type of social organisation than his own, the Chinese do not seem very puzzling. Allowing for differences in outfit of knowledge and fundamental ideas, they act much as we should act under their circumstances. The theory, dear to literary interpreters of the Orient, that

owing to diversity in mental constitution the yellow man and the white man can never comprehend or sympathise with one another, will appeal little to those who from their comparative study of societies have gleaned some notion of what naturally follows from isolation, the acute struggle for existence, ancestor worship, patriarchal authority, the subjection of women, the decline of militancy, and the ascendancy of scholars."

Dr. Arthur Smith, in the Introduction to the latest edition of "Chinese Characteristics," sees "no apparent reason why what is actually known of the Chinese people should not be co-ordinated as well as any other combination of complex phenomena." In all these opinions we may perceive a definite movement towards systematic sociological observation and critical comparison. This laudable movement, however, is, as yet, greatly lacking in historic perspective and prevision; a fact indicated by the equally common consensus of opinion which confidently asserts the dawn of a new era with the Chinese Revolution. Philosophically considered, the introduction into China of Western education, the pressure on her economic resources exercised with ever-increasing intensity by Western nations and by Japan, and the elimination of the central authority of the Manchus, are new facts of the highest importance, which must continue, as permanent forces, to modify the national character and to affect its future movement; but it should be no less obvious that nations, like individuals, must reap what they have sown; that the sins of the fathers are indeed visited upon the children, and that, by no incantation of new formulæ, can their penalties be avoided. The assumption that runs through most of the books and articles written about China since the professed conversion of the Empress Dowager to the idea of Constitutional government in 1902, the theory upon which have been based the policies of our diplomats and financiers since the collapse of the Manchu dynasty, postulates belief in a sudden and radical transformation of all the social and political institutions of

Left in Charge—a Scene in the Famine District.



The Lowdah (Captain) of a Native Boat on the Grand Canal.

the Chinese people. In the twinkling of an eye, it seems, they have been changed. All the immemorial instincts and impulses, the well-worn ways of thought and action of this, the oldest, civilisation on earth, are to pass, we are told, with the passing of the Manchus, by the magic of the blessed word Republic, and the waving of a five-coloured rag.

THE PERSISTENT DELUSION OF SUDDEN RACIAL CHANGES.

It is no new delusion, this vision of a race shedding its inherited tendencies like a garment; nevertheless, history and science alike insist on the fact that the modification of human nature, by the introduction of new factors in its environment, is essentially a slow and laborious process. European history is strewn with the wrecks of enthusiastic schemes for the regeneration of humanity by shibboleths, for making nations moral or great by Act of Parliament.

"If," says Herbert Spencer, "we glance over the programmes of societies and sects and schools of all kinds, we find in them one common trait. They are all pervaded by the conviction, now definitely expressed, and now taken as a self-evident truth, that there needs but this kind of instruction or that kind of discipline, this mode of repression or that system of culture, to bring society into a very much better state. . . . And yet the delusiveness of such hopes is obvious enough to anyone not blinded by a hypothesis or carried away by an enthusiasm."

And, in another place,

"Again and again for three generations has France been showing to the world how impossible it is essentially to change the type of a social structure by any rearrangement wrought out through a revolution. However great the transformation may for a time seem, the original thing reappears in disguise. Out of the nominally free government set up a new despotism arises, differing from the old by having a new shibboleth and new men to utter it; but identical with the old in the determination to put down opposition and in the means used to this

end. . . . The bureaucratic system persists equally under Imperialist, Constitutional and Republican arrangements. . . . It needs but to recall the truth, that the properties of the aggregate are determined by the properties of the unit, to see at once that so long as the characteristics of citizens remain substantially unchanged, there can be no substantial change in the political organisation which has slowly been evolved by them."

The leaders of Young China prefer to put their trust in the dreams of Jean-Jacques Rousseau; nevertheless these pregnant words of a master-thinker might have been written expressly for their learning. For there is this difference to be noted between Rousseau's disciples of the National Convention and the Chinese Republicans, that the latter have, so far, been conspicuously deficient in what Lord Morley defines as the "earnest enthusiasm for all the purposes, interests and details of productive industry" of the French Encyclopædists. With Diderot and his followers, philosophy became patriotism of a practical kind, attaching importance to science and art, as distinct from book-learning, and sympathising instinctively with the farmer, the merchant and the artisan; all forms, in fact, of fruitful labour. It was this practical reality in the French which, despite their political shibboleths, despite the chaos of the Revolution, made and kept the nation great. In so far as their revolutionary movement was characterised by the constructive purpose of maintaining conditions of fruitful labour, it became, indeed, the basis of a new structure of society and, philosophically recognising the realities of life, an effective bond of brotherhood. We have recently seen, and shall yet see, in Persia and Turkey, in Portugal and Mexico, the rise of new despotisms, under Constitutional and Republican rearrangements of systems unmodified by structural change; and in their history, on a small scale, we may read the lesson that China's speculative theorists and ignorant agitators have yet to learn.

Thus considered, the Chinese revolution and the expulsion of the Manchus appear to be nothing more than aggravated symptoms of the general disorganisation and chronic unrest prevailing throughout the nation's political life. As for the proximate causes of this disorganisation and unrest, it is absurd to ascribe them to any deliberate and conscious effort by the nation as a whole to adapt itself to a changing environment, or to believe in any deep-rooted influence on the masses of the revolutionary doctrines of Treaty Port journalists and students from Japan. These new factors are producing a certain effect upon the life and thought of the people, no doubt; but their action must be followed by reaction in due course, and only after the lapse of several generations will it be possible to determine their final effects upon the social structure of China. The error into which have fallen many observers, misled by laudable enthusiasms, is fairly exemplified by the attitude of "Putnam Weale," who, in the *Daily Telegraph* of the 9th of April, expresses his belief in the possibility of such a miraculous transformation "only because China is the home of Aladdin's wonderful lamp." Writers who take this point of view have no difficulty in persuading themselves that autocracy, opium and anti-militarism have been entirely abolished, "the whole ancient system effectively wiped out," and that the Chinese race has divested itself of these things as easily as it has cut off the queue—that it has assimilated European methods and ideas as readily as its bowler hats and frock-coats.

To accept such an interpretation of the present situation in China it is necessary to assume, for the Chinese people as a whole, definite aspirations and fixed goals, an all-pervading instinct of patriotism, subordination of individual to national interests, and authoritative leaders. Of these, there has been no evidence. If history teaches that the man comes with the hour, it teaches also that the hour comes not by accident, but only after long years of preparation. In the China of to-day we seek in vain for signs of the Idea, universal in

appeal, which makes for regeneration, the Idea that impels masses of mankind, at their appointed hour, to follow a Mahomet or a Peter the Hermit, a Garibaldi or a Bolivar. Of a Cromwell, nay, even of a Danton, there is as yet no sign; nor anything to convince us that, were he to appear, the masses of the people would have ears to hear him.

THE ROOT-CAUSE OF UNREST, ECONOMIC IN ITS ORIGIN.

What then? Truth compels us, I fear, to the conclusion that the politicians and military conspirators who have succeeded in overthrowing the rule of the Manchus, are themselves all unconscious manifestations of the race's deep-rooted disease of disorganisation; that it is not the political agitator who has created unrest, but rather the unrest (chiefly economic in its origin) that has produced the agitator. If we look back through the Chinese annals since the end of the Tang dynasty (or, roughly speaking, since the Norman conquest of England), we find history persistently repeating itself in violent rebellions; in the ejection, with great slaughter, of dynasties that had exhausted the mandate of Heaven; in regularly alternating periods of upheaval and recuperation, all traceable, in almost rhythmical series, to a social system which has inculcated principles of passive resistance together with a chronic tendency towards over-population. Intervals of relief from economic pressure have been bought at the price of cataclysms which have depopulated vast regions. Within the memory of living men the whole process has been witnessed—provinces that were laid waste by the Mahomedan and Taiping rebellions have been repeopled in one generation by the surplus of their neighbours, and in the next, have once more been faced by the grim spectre of famine. Even when the needs of the Empire's population as a whole have not exceeded the food supply, there have always been congested districts and over-grown cities, a large percentage of whose inhabitants live

literally from hand to mouth. It is from these, the predestined hungry ones, the hopelessly submerged tenth, that are drawn the salt smugglers, beggars, bandits, vagrants and looters who maintain incessant warfare against the rights of property—carrion crows that hover over all fields of fruitful industry—"*les misérables*," to whom a revolution means the looting of cities and unearned increment. These, in a land where the functions of Government are practically confined to tax-gathering, are the inevitable result of economic pressure on the one hand, and administrative disorganisation on the other. They are the froth and foam of great waves of humanity eternally breaking on the grim rocks of starvation. And, incidentally be it noted, they are the material from which troops are hastily manufactured by both sides in every rebellion and civil war.

These, the outlaws and the desperate, are clearly the offspring of chronic disorganisation; but its results are by no means confined to the lowest strata of society. The professional political agitator and the bomb-throwing student are, in their way, equally significant manifestations of the same disease. Socially, they are the direct descendants of those who, under the old classical *régime*, swarmed in and about every *yamên*, every school and public office in the land, the "expectants," the ever-scheming, ever-hungry horde of place-seekers, the submerged and struggling army of the unemployed *literati*. "Young China," the leaders of the anti-Manchu and Republican movements, are the sons and brothers of mandarins; and evidence is rapidly accumulating, from Peking to Canton, that, making all possible allowance for the difference between "Western learning" and the Confucianist classics as surface polish, they remain mandarins by instinct. How, indeed, should they have learned to be anything else?

In saying this I have no wish to pass capital sentence on the mandarin. He, too, is the result of long centuries of petrified tradition, of a creed now outworn. He represents

the uses and abuses of a literary bureaucracy, which, in its day, served China well, and which, amidst gross corruption and inefficiency, has retained many admirable qualities. But just as the type of the average mandarin has degenerated, becoming corrupt, cowardly and addicted to fleshpots, so, in their descendants of Young China, we find personal ambition, indiscipline and greed striking a more insistent note than any altruistic appeal of patriotic and fruitful labour.

Not that young China lacks ardent and unselfish spirits—a movement that produces martyrs of the stamp of Tan Sze-tong, or honestly consistent reformers like Liang Ch'i-ch'ao, can never be quite without hope for the future. But, for the present, for one conscientious reformer like Liang Ch'i-ch'ao, there are a hundred visionaries of the stamp of K'ang Yu-wei; for one Tan Sze-tong there are a dozen garrulous, prosperous Wu Ting-fangs. The traditions of the *literati* have never failed to produce an *élite* of great men, earnest, fearless and honest administrators like Liu K'un-yi and Chang Chih-tung or stern moralists like Wu K'o-tu; but their example has never been able to leaven the lump of mandarin corruption. Even so it is with the latest heirs and assigns of their estate—Young China—bursting with the pride of its Western learning, and freed from the ethical restraints of Confucianism; full of the new wine of Democracy and without the steadying influences of a philosophy which has preserved the race through countless dangers and tribulations.

THE NEW POLITICAL FORCES.

To turn now to the causes of China's political and social unrest. *Imprimis*, and looking to the present situation, there can be no doubt that the effect of Russia's defeat by Japan, the collapse of the Manchus and the passing of the old-style literary caste, have contributed to the actual ascendancy of a new political *régime*, imbued with all the prestige of that Western knowledge to which Young China

attributes the greatness of Japan. (Her centuries of discipline, of loyalty, civic virtues and social cohesion count for less, in the eyes of China's new leaders, than machinery and rifles and a draft Constitution.) Since the Boxer rising of 1900 it has been clear that an upheaval was impending, for the strong hand of the once-virile Manchus has lost its cunning, and without a strong hand no Oriental sovereign can continue to rule. Posts, telegraphs and railways, creating intercommunication between the provinces, had effectively undermined the Manchu position; and they themselves, as the event proved, were quite ready to depart in peace. Since the reign of Hsien Feng, they had failed to exercise any real authority, and the Empire had passed accordingly through many crises of disorder. In the minds of the masses they had become identified with disaster, with memories of looted cities, desecrations of ancestral tombs, and the ruin of industry and trade. They had exhausted the mandate of Heaven, and their hour was therefore at hand. It has never been the custom of this philosophical race to inquire too closely into the antecedents or proceedings of their rulers. They welcomed the Republican programme of Young China, therefore, with the same cheerful acquiescence, and the same mental reservations, as they welcomed the alien Manchus after the defeat and expulsion of the degenerate native dynasty of the Mings. What the Chinese people, as distinct from the politicians of the Treaty Ports, asks of its rulers (be they who they may) is peace and reasonable security for life and property. The appointed duty of every man is to labour unceasingly, and to leave behind him as many ancestor-worshippers as possible; the duty of rulers is to provide him with peaceful opportunities for so doing. Nevertheless, the very ease and bloodlessness with which the change has been effected are proving, at the outset, additional factors of unrest. The example of such easy attainment of power and place is not likely to be lost on the secret societies, on the semi-

independent military forces in the provinces, on the Cantonese pirates, and other organised bodies of predatory outlaws.

POPULATION AND FOOD SUPPLY.

Even if we assume, with the optimists and financiers, that a *modus vivendi* can be found between North and South, between Constitutional Monarchists and Republicans, between civilians and soldiers, between the haves and the have-nots, there must yet remain those persistent causes of disorganisation which lie in the mental state and social structure of the masses—causes removable only by slow educative process. Of these the chief is the procreative recklessness of the race, that blind frenzy of man-making born of ancestor-worship and Confucianism which, despite plague, pestilence and famine, battle, murder and sudden death, persistently swells the numbers of the population up to, and beyond, the visible means of subsistence. By means of polygamy, early marriages and the interdependence of clans, the Chinese people struggle to fulfil at all costs the inexorable demands of their patriarchal system; bringing their predestined victims of hunger and disease into a world that has no room for them; breeding up to a food-limit which, amidst toil and penury incredible, has long since reached the breaking point. A nation which implicitly believes, and unanimously acts on the belief, that a man's first duty in life is to provide as many male heirs as possible for the comfort of himself and of his ancestors, inevitably condemns vast masses of its people to the lowest depths of poverty, and condemns the body politic to regularly recurring cataclysms. The chronic condition of China, except in those districts where plague or famine or civil war have temporarily relieved the pressure, is a struggle for life unequalled in any other part of the world—a struggle so desperate that the fittest who survive must of necessity be endowed with peculiar qualities of physical resistance and vitality. And it

is a struggle from which there is, generally speaking, no escape; for to add to the burden of philoprogenitiveness, the traditions of the race have decreed, with the force of religion, that it is the duty of every man to sacrifice at stated intervals at his ancestral tombs and to be buried, in due season, with his fathers. Thus the great bulk of the population have for centuries been rigidly localised, and a people from whom Confucianism has gradually eliminated all instincts of collective initiative, into whom Buddhism has instilled a spirit of passivity and renunciation, has been deprived of the outlets which general emigration and territorial expansion northwards might otherwise have provided. Within their own borders, therefore, they have perished, sacrificed by millions to a social system utterly improvident and callous of human suffering.

It is clear, I think, that herein lies the great and remote cause of China's intolerable afflictions—a cause not to be removed by any political shibboleths or panaceas of philanthropy. Even supposing that, by good government, the conditions of life were to be alleviated for the masses, that by economic reforms and applied science the resources of the country might be materially increased, it is clear that, for a people which rears four generations while Europe is rearing three, with whom the absence of posterity is a crime, and concubinage the reward of success, any relief would be temporary—the fundamental problem deferred, not solved. The immediate result would be a decrease in infant mortality, which at present reaches terrible, almost incredible, proportions. (In Hongkong, under British administration, the death-rate of Chinese children, under one year of age, was eighty-seven per cent. of all births reported in 1909.) A certain percentage of the vagrants and outlaws who infest the outskirts of every city might be reclaimed for the space of one generation; but the insoluble problem of filling three stomachs with one bowl of rice would speedily have to be faced anew. At this moment a famine is carrying off many

thousands from the Huai River districts of Anhui; Shensi, though ravaged by the Mahomedan rebellion a generation earlier, lost a third of its inhabitants by famine in 1900. The wastage and slaughter of the Taiping rebellion have been computed at close on a hundred million souls; the Yellow River floods have periodically carried off their millions of victims. Yet the population to-day stands at about 330 millions, and its pressure is steadily increasing.

During the long centuries of China's seclusion and contempt for the outer barbarian, ever since the time when the Great Wall was built to guard her in self-sufficient isolation, this grim struggle has been going on—man blindly striving to perpetuate the patriarchal pastoral system under conditions economically impossible. During all these centuries the cause of China's never-ending unrest, of civil wars and ever-recurring anarchy, has been, *au fond*, a strife for food. Here and there the ambitions of rulers and pretenders have set the masses in motion for political ends, but never, as in Europe, have her wars been the result of religious differences, or of the insistent appeal of a moral crusade. The eternal struggle, the same a thousand years ago as it is to-day, grim and silent as the struggle for life in primeval forests, has been for a place in the sun, and daily bread. No time in all these myriad humble existences for sports or social amenities or amusements; China knows no public recreation grounds, no public interest in art or music, in architecture or poetry. The soul of this people has too long been condemned to elementary materialism, in its business of man-making and man-feeding. Yet this aspect of the situation, this fundamental cause of unrest, is persistently ignored by Monarchists and Republicans alike—no mention of it in all their programmes of reform. To read the discourses of the National Assembly one might think that, by the framing of a Constitution based on the French model, Young China hopes to repeat, *ad infinitum*, the miracle of the loaves and fishes. Yet before their eyes, in the fierce looting of cities,

A Victim of Economic Pressure, North Kiangsu Famine Region.

in the activities of Cantonese pirates and northern Hung-hutzŭs, in brigandage rampant from Kansuh to the coast, the lesson is writ plain for all to read—that the masses, however pacific and fatalistic by force of tradition, will not long abide quietly under the shadow of starvation unless restrained by the strong hand of armed authority. That is the first object-lesson to be learned from the dawn of the Republic's new era, and its development bids fair to eclipse in dramatic features the passing of the Manchu.

During the long ages in which China remained geographically isolated and politically self-sufficient, this thriftless breeding and wholesale destruction of superfluous lives became the established order of existence. The annihilation of millions by flood, famine or disease was generally accepted as part of the common and inevitable destiny of man, "born to sorrow as the sparks fly upward," no more to be avoided by any devices of rulers than the devastations of earthquakes and typhoons. But, with the incursions and contact of a more successful civilisation, by the influence of Christian missionaries and the severe lessons taught by Christian armies, the intelligence of the race has become gradually convinced of error, and deeply wounded in its *amour propre*. It has realised that the profession, if not the practice, of altruism and humanitarianism constitutes a necessary passport to the best society among nations. Indifference to human life, from being a philosophic attitude of acquiescence, became an offence against modern civilisation. Thus, relief of famine by public subscription, control of the forces of nature by science, plague prevention, the abolition of opium, infanticide and slavery—all these became part of Young China's programme of reform. Free trade in death must yield to protection for life. But amidst all the disputations of the sects, and all the specifics of political leaders, there has been, as yet, hardly a voice raised against marriages of minors or polygamy, and reckless overbreeding, which are the basic causes of China's chronic unrest.

THE ABSENCE OF RELIGIOUS INSPIRATION.

Another cause, almost as deep-rooted, lies in the absence of any living faith or inspiration of religion among the masses. Confucianism, the soulless system of an intellectual aristocrat, has permeated the national mind, robbing the people's Buddhism of the gentle mysticism, the courage and the reverence which beautify and console the lives of those who still follow the Way in Burmah, in India and Japan. There is the courage of an endurance almost superhuman in the lives of China's toiling millions, but the pathos and the poetry of a religion that redeems other Asiatic races from the heaviest penalties of materialism have been sacrificed, in Confucianism, to the worship of genius, to an ethical system that contents itself with defining man's relations to man and leaves him without enthusiasms, almost without curiosity, for the inner life and the mysteries of worlds unseen. The demons of the Taoists are mocked even by those who, because of superstition, purchase the priests' good will. Indifference to things spiritual is the keynote of the Chinese race; an indifference as profound among the "stupid people" as amongst the *literati*. The unity of the family and the State, the worship of ancestors, the "three relations" and the paramount duty of labour—these are the unshaken tenets of the Chinaman's creed, the sum and substance of his philosophy and religion. The effects of Western education, even in missionary schools, on the upper classes, reflect the callous agnosticism of the masses; hardly a whisper, in all this valley of dry bones, of any vivifying breath. The glory that once was China has perished, like that of Greece and Rome, because of the decay of religious faith and worship. The religious revival of the Brahmans, so notable a feature of recent unrest in India, has at present no counterpart in China; even the Mahomedans of the north-west are followers of the prophet by tradition rather than by any force of conviction. The faith of the Boxers, the nearest approach

to religious enthusiasm that modern China has produced, was like the Christianity of the Taipings—gross superstition, cloaking a fierce hunger for loot. Of religion, as a steadying force, to guide the nation through its grievous perils of change, there is practically none; throughout all the land no voice of preacher, warrior-priest or saint, to create a national conscience and living ideals. A new flag, a national anthem composed by Shanghai journalists, a draft Constitution and vague ambitions of "astonishing the world" by miracles of metamorphosis, these are the inspirations and resources of Young China, confronting a great crisis in the nation's history. Of intelligence there is enough and to spare, enough to endow many student leaders with contempt for the foreigner, even as the Bengalis despise the Anglo-Saxon rulers of India. But they have yet to learn in the hard school of experience that (to quote from Professor Wegener) "the English rule India not by their intellectual but by their moral qualities, and by the white man's ethical superiority and strength of will." From Yuan Shih-k'ai down to the youngest student of the Dare-to-Die brigade, the absence of purposeful will-power is the most conspicuous characteristic of China's self-appointed leaders.

LACK OF AN AUTHORITATIVE ARISTOCRACY.

Yet another fundamental cause of unrest lies in that levelling tendency of China's democratic philosophy, which not only eliminates all effective initiative of leadership, but makes loyalty to a leader the rarest of Chinese virtues. Japanese patriotism, infused with all the chivalry and stoicism of the feudal system, inspired by deep love of country and loyalty to the sovereign, was strong enough to evolve from the clash of systems a people united by definite ideals. Chinese patriotism is, as yet, but the confused shouting of unstable and untrusted politicians, blind leaders of the blind, without permanent inspiration or consistent

purpose. If the dream of the Republic has been accepted by the masses, it has not been because of any enthusiasm for the persons or principles of its founders, but because, in a people long accustomed to tyrannous misrule, there is always acquiescence in any upheaval with its possible hope of better things. If China possessed either a ruling caste of priests or warriors, or a self-respecting, energetic and staunch *bourgeoisie* to guide the people in the wilderness of new ideas, she would not be confronted with the prospect of long years of disorder, with misrule and plundering of prætorian bands, more ruthless and undisciplined than those "whose licentious fury was the first symptom and cause of the decline of the Roman empire."

Following upon the fundamental and remote causes of the actual condition of China's social structure, there are other proximate and possibly transient factors, such as, for instance, the recent changes in the educational system; relaxation of ethical restraints which formerly possessed the force of law; the widespread corruption of the educated classes; the disruptive force of new ideas and the absence of authoritative leaders. But every day's experience of the revolutionary movement tends to show that no radical change for the better can possibly be effected except by slow processes of education and religious revival, applied through several generations, and that the short cut to Utopia is a vain illusion. It is an illusion common to the highest and lowest forms of civilisation: in every country every generation believes that it stands at the parting of the ways "between an old bad epoch and a good new one," hope ever triumphing over experience.

China's civilisation, though callously indifferent to human wastage and wreckage, asserts by the very antiquity and continuity of its institutions and beliefs, good claims to our respect. It has survived, and will survive again, invasions of outer barbarians and grave internal disorders, the racial traditions and habits of the masses remaining thereby in all

essentials unchanged. Its recuperative strength and its wealth have ever lain in the people's unconquerable energy of labour, in the passive resistance of an instinctively democratic race-spirit and in atavistic resistance to change. Content with its patriarchal system and patriarchal ideals, it has never evolved a middle class, like the *bourgeoisie* of Western Europe or the *samurai* of Japan, capable of organising, through long periods of preparation, the materials for structural modification. Until yesterday, there was no reason why it should. The Middle Kingdom had every reason to believe in its own innate superiority; its scheme of civilisation might well have continued to satisfy her needs had it been possible for her to maintain her splendid isolation. To-day, the economic pressure of the modern world, its *Weltpolitik*, cosmopolitan finance, and quick-firing guns, forbid all hope of her being allowed to resume that ancient and venerable state. The dream cherished by every Chinese official, since the days of Lord Macartney's mission, that we should take away our guns, our opium and our missionaries, and leave them in peace, is clearly impossible of fulfilment.

The foreign-educated Chinese student and the professional politician are amongst the results of the impact of the West. Undoubtedly, they constitute new and important factors in determining the future direction of social change; but in considering the present condition of the nation and its immediate future, there is, I think, a tendency to exaggerate the influence which these classes are destined to exercise in modifying the fundamental habits and sentiments of the race. It is easy to be misled, by false analogies taken from the history of Japan, into the common delusion that substantial change can be wrought in the political and social organisation of the country, while yet the character of the masses remains unchanged. Earth's surface is strewn with battered monuments and dead cities which tell us of the passing of races, whose deep-rooted traditions could not be modified in time to cope with the sudden emergence of new

and destructive forces. Portugal affords an instance of a country in which chronic unrest has for centuries harassed a laborious and pacific people, because of the belief of its upper class in political formulæ as remedies for national ills, and its failure to apply the slow-working structural changes of education and discipline. Russia's recurring paroxysms of protest against autocracy denote, in their lack of cohesion and continuity, the pathetic efforts of idealists to evolve a modern social structure out of materials largely mediæval, to pass in a generation from the feudal system to organised socialism. Here, again, Japan is frequently cited as an example of what may be done by new laws and new machinery of government, all regardless of the fact that the qualities of will-power, loyalty and sustained energy which enabled Japan to effect in forty years those stupendous changes in her political and economic organisation, were the results of long centuries of self-discipline and patriotism; oblivious, too, of the fact that the nation's social organisation, its ethics, philosophy and culture, the subtle charm and poetry of the inner life of the people, have retained their own traditions and characteristics. Such cultural and political influences as Japan has assimilated, have been deliberately acquired, and intelligently adapted to the existing structure.

Of India it has been said by a thoughtful observer that if the British Raj were to be withdrawn to-morrow, the moral effect of two centuries of British influence and example would swiftly fade and utterly disappear. The material monuments would be there—the roads and railways and canals—but the impression upon the thought-life of the people of all our conceptions and expositions of the purposes of existence, would pass like the memory of a dream. The brooding soul of the Asiatic would continue to take its time-honoured way through this valley of illusions, undisturbed by any memories of our fretful materialism and vexatious dogma; and its national customs would speedily reflect again its immemorial ideals and beliefs. If this be

true of India, how much more so of China, for the masses of whose population European civilisation looms only on the remoter horizons of imagination, a vague and menacing peril?

If, looking to the ancient and permanent foundations of the Chinese social structure on the one hand, and to the external forces which threaten that venerable and defenceless edifice on the other, we make bold to forecast the nation's destinies, there appears to be good ground for the belief that the factor which must weigh most heavily in determining the immediate future lies in the fierceness of the struggle for bare existence. Admitting the inevitable continuance of conditions which create a population in excess of the normal food supply, there follow the necessity for an effective central authority ruling *à l'Orientale*. Without such an authority, the criminal classes, the dangerous elements that are ever in wait to prey on the industry of the peasantry and labouring classes, must increase and multiply with amazing rapidity—as they have done for the past six months—and gradually reduce the country, through chaotic destruction, to a condition of complete exhaustion.

Young China has been welcomed, as I have said, because the Manchus had become identified with calamity—but a Young China that wears the strange garments of the Europeans, and yet fails to exercise any effective authority, will not long be acknowledged as the ruling power. Despite the growth of national consciousness that has taken place during the past twenty years, the deep-rooted instincts of the race remain unmistakably unpolitical and philosophically indifferent to the origin of constituted authority, so long as it ensures maintenance of the accepted order of things Celestial. The Chinese national consciousness, indeed, resembles in many respects that of the Jewish people in its pride of race, its intellectual and philosophic aristocracy, its powers of cohesion and passive resistance, its collective economic superiority. The record of the Wei-Hai-Wei

regiment, the spectacle of Chinese viceroys, governors and *literati* eagerly seeking the foreigner's protection at Shanghai and other treaty ports; even the gratitude shown by the inhabitants of Peking for the presence of the foreign troops in their midst, all these are indications of the truth that, if it should come to a choice between Young China and chaos and foreign administration with law and order, the masses would choose the latter. In forecasting the probable outcome of the present phase of disorganisation, the question which immediately presents itself, therefore, is, What are the prospects of Young China's evolving an effective and acceptable administration under the Republic before the dangerous elements of the community shall have thrown off the last remnants of control? This is a question which each must answer for himself by the light of his knowledge or his faith. For myself, remembering the ancestry and genesis of Young China, being personally acquainted with many of its leading spirits, having followed its opinions and activities in every province from the beginning of the present revolution, I am compelled to the conviction that salvation from this quarter is impossible: not only because Young China itself is unregenerate and undisciplined, but because its ideals and projects of government involve the creation of a new social and political structure, utterly unsuited to the character and traditions of the race; because it is contrary to all experience that a people cut off from its deep-rooted beliefs and habits of life, should develop and retain a vigorous national consciousness.

CHAPTER II

SYMPTOMS OF UNREST

I HAVE endeavoured to show that the remote and fundamental cause of unrest in China lies in the procreative recklessness of the race—a cause removable only by slow educative process—whilst the proximate causes, attributable to new political and social forces in the state, are to a great extent local and transient in their origin, liable to rapid reactions, and eventually remediable. The more acute symptoms of economic unrest have been chronic throughout the recorded history of China, evidences of the fierceness of the struggle for life resulting from unlimited man-making and a limited food supply; but the nature of the symptoms has varied according to the strength or weakness of the government of the day. Whenever the strong hand of authority has lost its grip upon the people, whenever a dynasty has exhausted its capacity for ruling, the "submerged tenth," upon the first opportunity of local insurrection, has risen swiftly from all sides to the sacking of cities—vast hunger-marches militant, that for a time have shaken the Celestial social fabric to its foundations. It was thus when the Mongol rule fell into decay under the degenerate descendants of Kublai Khan; when a mendicant priest, masterfully organising the unruly masses of the famine-stricken provinces, founded the dynasty of the Mings. It was thus when, after long years of anarchy, the Mings had gone their dishonoured way, the Manchus

restored order out of chaos and administered rough and ready justice with a firm hand. Because of the corruption and inefficiency of the Mongol rulers, the Mings came to power; because of their own degeneration, they lost it. Their dynasty came to its end, as Macgowan[1] says, "because of its inherent want of moral qualities, without which no power will ever be long tolerated by a people like the Chinese, who demand so high an ideal in their Sovereign." And so, in their appointed hour, the degenerate Manchus have also gone their way, the moral qualities which distinguished K'ang Hsi and Ch'ien Lung having gradually been sapped by the effeminate luxury of a tribute-fed and eunuch-ridden Court. Like their predecessors, they disappear, amidst tumults and convulsions of the body politic, and the "stupid people" are for the time being exposed defenceless to the tender mercies of the "submerged tenth."

PERMANENCE OF CHINA'S SOCIAL STRUCTURE.

Nevertheless, if we read Chinese history aright, the Chinese race, accustomed by tradition and temperament to accept as dispensations of Providence these and other inevitable results of its social system, will in the end find and establish the government which it desires and deserves. As the author of *Letters from John Chinaman* finely says:

"The simple and natural character of our civilisation, the peaceable nature of our people (when they are not maddened by the aggression of foreigners), above all, the institution of the family, itself a little state—a political, social, and economic unit—these and other facts have rendered us independent of Government control to an extent which to Europeans may seem incredible. Neither the acts nor the omissions of the authorities at Peking have any real or permanent effect upon the life of our masses, except in so far as they register the movements of popular sentiment and demand. . . . No force will ever suffice to stir that huge

[1] *A History of China* (1897), p. 517.

inertia. The whirlwind of war for a moment may ruffle the surface of the sea, may fleck with foam its superficial currents ; it will never shake or trouble the clear unfathomable deep which is the still and brooding soul of China."

This quality of permanence in the social structure of the race, persisting through and despite ever-recurring paroxysms of disorder, stands out as the dominant feature and the explanation of China's ancient civilisation, difficult for the European mind to apprehend in its full significance, but undeniable in its results. As Montaigne says :

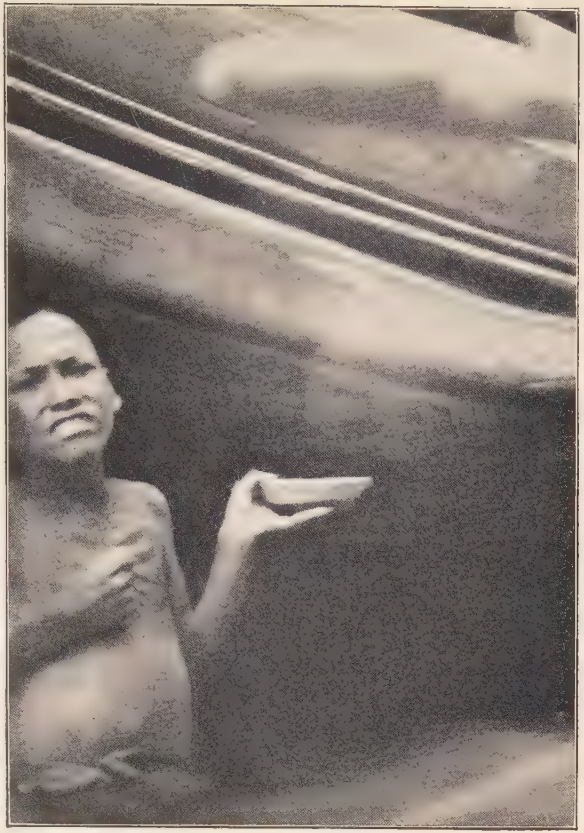
" The preservation of states is a thing in all likelihood exceeding our understanding. A civil policy (as Plato saith) is a mighty and puissant matter, and of very hard and difficult dissolution ; it often endureth against mortal and intestine diseases—yea, against the injury of unjust laws, against tyranny, against the ignorance and *débordement* of magistrates, and against the licentiousness and sedition of the people."

If the institution of the family and the " three relations " of the Confucianist philosophy are the foundation of China's social structure, it is certain that the soul of the people clings to the monarchial principle as part of the order of things immutably established. When Dr. Sun Yat-sen declares the Republic to be " the formal declaration of the will of the Chinese people," the Utopian wish is father to the fantastic thought : herein, as in many other matters, he deceives himself and the truth is not in him. It may safely be asserted that, in the provinces of the interior, the lower masses of the population are scarcely aware of the final abdication of the Manchu Dynasty, and that they are quite unconscious of the fact that a Republic means the total disappearance of the Dragon Throne. In their eyes, President Yuan Shih-k'ai, issuing his mandates in the familiar language of Imperial Edicts, is, no doubt, merely a temporary occupant of that Throne, pending the

re-establishment of Celestial harmony in accordance with immemorial usage; the frock-coated Ministers and the military Tutuhs who come and go, dressed in a little brief authority, are in their eyes but transient phenomena, like the foreign armies which from time to time have been permitted to disturb the peace of the Middle Kingdom, inevitable results of a period of change.

ALL POLITICS CENTRE IN THE QUESTION OF FOOD SUPPLY.

For the masses of the people, the fundamental question persists, outweighing all political formulæ, transcending all the speculations of Young China—the eternal question of daily bread, now menaced by the spreading of internal disorder. Under a strong ruler, or under a form of government long established and recognised by precedent and prestige, an unstable equilibrium between population and food supply has been reached throughout countless generations by means of infanticide and by the people's fatalistic acceptance of plague, pestilence and famine, as agents of wholesale destruction. The terrible butcheries which have invariably accompanied the establishment of a new dynasty or the suppression of a rebellion, have merely solved by swift bloodshed problems which must otherwise have been met by the less merciful solutions of starvation and disease. The whole history of China is, in fact, a pitiful tale of excessive population struggling with natural calamities, a population rigidly localised by geographical and political barriers, and by temperament lacking in the instincts and organisation for remedial measures of offence and defence. There have never existed for China such means of relief as Western Europe, confronted with similar problems on a smaller scale, has found in emigration, in organised poor relief and in the rapid transportation of food in bulk. To this day, despite a certain amount of emigration from Kuangtung



A Beggar in the Famine Region.

Fed on Grass and Bark in the Famine Region of North Kiangsu.

and Fokhien, and despite the introduction of railways, missionary efforts for the relief of plague and famine, and the Chinese Government's gradual perception of humanitarian principles, the outbreaks of famine, or the occurrence of floods in any province, entails the swift and almost silent disappearance of countless lives, the weak and the destitute perishing on the spot, a few of the strong escaping to swell the ranks of the needy in adjoining provinces. Every one who has lived for any length of time in the interior of China has witnessed these desperate hunger-marches, these grim conclusions to the philosophy[1] which declared, more than two thousand years ago, *that the first duty which man owes to Heaven and to his ancestors is to have posterity.* Great armies scouring the country for grass and roots and bark of trees; thousands of pitiful wanderers driven back to starvation by the inhabitants of walled cities, as men upon a crowded raft repel swimmers who would drag them down; children offered for sale at the price of a bowl of rice; a pitiful flotsam and jetsam of survivors making its way by boat as far as Shanghai and the Yangtsze Treaty Ports—all these things have been repeatedly witnessed of recent years, and this despite the relief of pressure afforded by the slaughter of the Taiping and the Mahomedan rebellions.

NATURE'S REMEDIES.

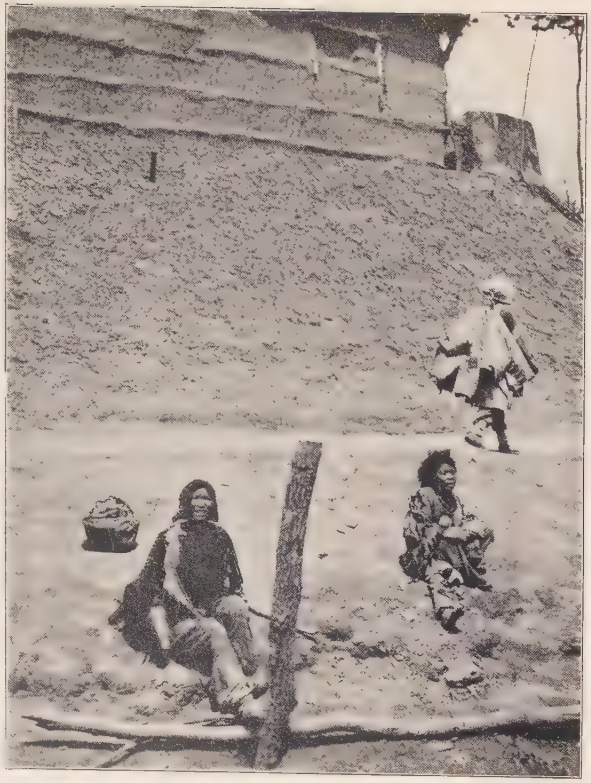
At this moment, almost unnoticed amidst the clamour of place-seeking politicians, a famine has claimed, and is still claiming, thousands of victims in the provinces of Anhui, Kiangsu and Hupeh. The American Red Cross Society and other philanthropic bodies are doing their best to organise relief works, but the distress is so urgent and widespread that many must remain beyond reach of assistance. In an appeal for funds issued by the British

[1] Mencius.

Missionary Societies in February last, the condition of the people in the famine district was summed up as follows:—

"The break-up of families, gradual lapse into a condition of apathy of the people of the Hwai River district with a population of five millions, of whom a million and a half will need relief; severe famine last year, scant crops for five years past, work-animals eaten last year, business at a standstill, schools closed, the weak becoming beggars, the strong becoming robbers; two to four hundred hangings or decapitations in town after town of this district during last year's famine; sale of wives and daughters, often into lives of vice . . . ."

This appeal, of its kind sadly familiar to all residents in China, stated that 600,000 families were actually starving —and added the statement, deeply significant in itself, that "six shillings will support a family for a month." It was signed by eight eminent missionaries, representing the great societies which have devoted so many noble lives and so many millions of money to China; it assured the charitable that every precaution had been taken to prevent malversation of the relief funds, and it explained that the money subscribed would be used in the construction of relief works, such as dykes and canals, intended to prevent the recurrence of floods. The immediate object of the Missionary Societies, natural and laudable in itself, was to prevent this appalling loss of life; to save these 600,000 families, so that they might, in due course, become the ancestors of thrice that number. But supposing that object to be attained in this and similar instances for the space of even one generation, is it not certain that the hand of God or man must sooner or later fall the more heavily upon a race whose natural rate and capacity of increase is so enormous? Would it not be better for China that her well-wishers and reformers, foreign or native, should attack at its source the fundamental cause of the nation's chronic



Beggars on the Banks of the Grand Canal

A Beggar on the Bank of the Grand Canal, Anhui Famine District.

calamities and strive to educate public opinion against marriages of minors and polygamy? The natural increase of the population under existing conditions can only be kept in check by regular recurrence of the calamities of which we read on every page of China's history.[1] In addition to the Taiping rebellion, which devastated nine provinces and cost between forty and fifty million lives, the most reliable Chinese authorities compute the death roll of four great famines which occurred in the first half of the nineteenth century at 45 millions. In 1878 the Shanghai Famine Relief Committee assessed the victims of the famine of that year at over nine millions. Between 1892 and 1894, the North East provinces and Southern Mongolia were decimated by drought and famine, while every year sees the weakest lives ruthlessly weeded out by cholera, typhus, beri-beri, bubonic plague and other diseases resulting from insanitary overcrowding. Look at it as we will, the problem to be solved in China is one of social economics, incurable either by religious teaching or by legislative formulæ. The causes and symptoms of unrest which confront us to-day are the same as those which have afflicted the Empire throughout long centuries: compared with them, the question of Monarchy versus Republic becomes a matter of trifling and transient importance; until they are relieved, philanthropic measures, such as the suppression of opium and the prevention of plague, can only serve, by reducing the death-rate, to aggravate the misery of the masses and the severity of finally inevitable cataclysms. Even if China were governed as India is governed, its elements of disorder and unrest shepherded and controlled by the strong arm of centralised authority, the vast natural increase of its millions would speedily present a problem unsolvable except by that wholesome emigration which neighbouring continents forbid.

[1] Cf. *Inquiry into the Population of China,* by W. W. Rockhill. Washington, 1904.

THE SUBMERGED TENTH.

If we consider all the symptoms of unrest at present prevailing in China, we cannot fail to perceive, behind the political activities and aspirations which have led to the dethronement of the Manchus and the establishment of the Republic, the dark shadow of hungry millions,—a gaunt spectre of terrible menace. Above the phrase-making of the provincial assemblies, the disputations of reformers and the haggling of loan-mongers, we catch the deep-echoing tumult of devastated cities, the dull roar of the lawless and the outcast rushing to unwonted orgies of plunder. The relaxation of constituted authority and of ethical restraints, inevitable with the passing of a dynasty, produced, in every province and with extraordinary rapidity, identical results. Everywhere, as if by magic, sprang up bands of robbers on land and fleets of pirates afloat. Beginning with the pillage of outlying and defenceless districts, they speedily became bolder, holding the wealthy gentry to ransom, plundering the merchant, sacking pawn-shops and local Treasuries, and swiftly gathering into their caves of Adullam all those that were in debt and those that were discontented,—recruits from the famine districts, outlaws of all kinds and soldiers deserting from the army at the prospect of unremunerative hostilities. Soon the walled cities saw their ragged and motley vanguards, and the citizens hastened to enlist for their protection troops recruited either from the nearest militia or from amongst the robber bands.

LAWLESSNESS AND LOOTING.

And everywhere, as the contagion of lawlessness and looting spread, these defenceless citizens were mercilessly plundered by those to whom they had looked for defence, City after city, even to the provincial capitals, paid the

penalty traditional in Chinese history, exacted by the "have-nots" from the "haves" to celebrate the passing of a dynasty. The looting instinct assumed from the outset remarkably systematic and business-like methods of procedure, so that from Peking to Canton the man with a rifle possessed himself, as a matter of course and generally without bloodshed, of the property of the man unarmed. It was typical of events at this stage, that Yuan Shih-k'ai's picked troops, the men of the Third Division who looted Peking in November, piled their plunder, none preventing them, in the Waiwupu enclosure and actually commandeered special trains on the Luhan Railway to carry it and themselves to Paotingfu and Honan. Typical also of the political chaos from which the Republic has sprung, is the fact that the first place looted by its mutinous soldiery was the Nobles' school, where the Nanking Delegates (the frock-coated flower of Young China) were quartered, waiting to accompany Yuan Shih-k'ai on his promised journey to the Yangtsze.

THE IMMUNITY OF THE FOREIGNER.

But most significant of all, as indicating a deliberate and widespread consensus of motives behind this carnival of plunder, was the immunity from every form of violence extended to the persons and property of foreigners throughout the country; an immunity which, in the absence of all recognised authority, implies something approaching to organisation amongst the plunderers and clear perception of the fact that foreign intervention would put an end to their lucrative opportunities. The foreign Press at Shanghai and missionaries in the interior were naturally led to draw, from this unusual phenomenon, conclusions flattering to Europeans' *amour propre* and to the enlightened intelligence of Young China. It may safely be predicted, however, that this gratifying conclusion will eventually need revision. When, for lack

of portable property, the craze for loot has waned, and when the leaders of the Republican movement are confronted, as they must be, with a violent reaction of discontent and disaffection, it is fairly certain that the mandarins of Young China will adopt the policy invariably followed by their predecessors in such emergencies, by diverting from themselves to the hated foreigner the wrath of the exasperated "stupid people." Much depends, for the moment, upon the Republicans' success or failure in the matter of foreign loans: the disaffected elements in the State may be held in leash for a time by doles of cash : but sooner or later, with or without loans, the old mandarin *mot d'ordre* will circulate once more in the Press, in the tea houses and at the lekin barriers, that the country's misfortunes are entirely due to the tyrannous rapacity of the foreigner and to the burden of his unjust indemnities. And the predatory classes, having little to lose and nothing to gain by granting further immunity to the European, will turn their hand against him as readily as of old.

Before leaving this particular aspect of the prevalent unrest, one or two typical instances, may be cited to show with what rapidity and determination the forces of disorder emerge and swoop upon their prey at the first signs of political upheaval. At Canton, within five weeks of the outbreak of the rebellion at Wuchang, piracy—always endemic on the Kwangtung coast—became a recognised, not to say an enviable, profession. Before the end of November, the Viceroy's Yamen and the Admiralty headquarters had been looted, but whether the beneficiaries were pirates, or Kuangsi regulars, or merely patriotic amateurs, was never definitely known. On the 22nd of November, a band of 300 pirates arrived at Wuchow on the West River and, announcing themselves as Revolutionaries, demanded that the local officials should supply them with arms. Under orders from Canton, these were refused and, to end the discussion, the authorities opened fire on the pirates, killing

a large number. The band dispersed, but subsequently possessed themselves of a torpedo boat and steamed away.

PIRACY AND DACOITRY.

In Anhui, a noted bandit named Wang, after defeating a detachment of troops sent to capture him, from Kaifeng, entered the city of Koyang at the head of a thousand ruffians. Here, after looting the residence and offices of the President of the Self-Government Society, he established a sort of Robin Hood administration, levying toll on the wealthy citizens and gentry, forbidding the closing of shops and preserving order of a kind. When eventually he departed, to make way for the armed forces of the Republic, he took with him the treasure of the rich and the good wishes of the humble.

Even more typical was the condition of affairs reported by a correspondent of the *North China Daily News* from the Huchow prefecture of Chêkiang. As showing the general condition of the country, his statement is of permanent interest and worthy of reproduction :—

"On December 10th I was in Shangpei and learned that the place was full of robbers. They gambled all day, and robbed at night. The people were afraid to lift a hand against them. I saw them in various groups gambling in the open places, and once pushed my way up to their table to ask why they thus openly broke the law. I received the usual answer that there was no 'King's Law,' and that the new government had not yet come into power. Yet they courteously promised to gamble no more. Within a week they had taken possession of the city, with its 8,000 inhabitants.

"They announced their intention of protecting the city so long as they were left alone. They took over the pawnshops, turned them into repositories for stolen property, placed an armed guard at the doors, and regulated the receipts and expenditure. They levied a tax of $140 per month upon the gentry of the place, who paid it, and then

went to the business men for reimbursement. They used the tea shops and chair hongs free of charge, and lived in the largest temple there; they also gave the city and adjacent country ample protection from other robber bands.

"The original band of twenty or thirty soon grew to a hundred. They took possession of all the fire-arms either by 'borrowing' or by force, and soon added others by the disarming of soldiers at Shangpei and at Dangsi. They also announced that the next time the foreigner came they would 'borrow' his gun also, peaceably, of course.

"Their band grew rapidly, both in numbers and in boldness. Every village of any importance from Dangsi to the mountains, and from Shangpei to the city of Huchow suffered, and not a man in Shangpei dared to lift his hand against them, nor send for help. Opium was sold in the streets as openly as tobacco, and gambling continued day and night. But the break came.

"A rich farmer shot one of the band dead when they came to pillage his home. They then and there levied a fine of $2,000 on him, and took his eight-year-old son as hostage until the same was paid. Unfortunately the boy is still in their hands, else dead. This man began a movement against the band in which the country organisations joined. From every quarter the people came for the attack, and Chinese-like, they made their plans known. December 31st was set as the day of attack, and during the night previous to this they declared they would take the robbers or burn the village clean. Upon hearing this about half the band left the city, and as many of the residents as were able to get away.

"On Monday, January 1st, a pitched battle was fought on the plain west of the city between the robbers on the one side and about 2,000 country people on the other. The people won. Then began the slaughter, which still continues. More than twenty were beheaded there in Shangpei, and about sixty more in Shanjaopu and Wukang. And in every place where robberies had been committed, from two to forty were beheaded. The total number thus killed in the Wukanghsien is conservatively estimated as between 200 and 300. And the work still goes on."

Lest it be thought that the condition of China thus outlined presents unprecedented features or results differing widely from those of the periodical dynastic rebellions of former days, let me quote from the writings of an English official residing in China at the time of the Taiping rebellion. Describing the origins of that rising and its gradual evolution out of the local forays of Kuangsi bandits, into a widespread political movement, Mr. Meadows observes :[1]

"A man, originally a mere thief, burglar or highwayman, whose sole object was the indiscriminate plunder of all who were unable to guard against him, finds it possible, in the state of general apathy to public order produced by continued oppression, to connect himself with a few fellow thieves, etc., and at their head to evade all efforts of the local authorities to put him down. As his band increases, he openly defies these authorities, pillages the local custom houses and treasuries, levies a tax on passing merchandise and a blackmail from the wealthier residents, but refrains from plundering anyone outright, and, while by exempting the great bulk of the population from all exactions, he prevents the rise of a general ill-feeling towards him, he as the scourge of the oppressors gains the latent or conscious sympathy of all classes. Now, these captains of bandits, whatever their origin, do not, it is true, while their followers amount merely to a few hundreds, choose to make themselves ridiculous or to rouse the general government to more serious efforts against them by issuing dynastic manifestoes or assuming the state of royalty. But when they begin to count their followers by thousands, forming a regularly governed force, they declare openly against the hitherto reigning sovereign, whom they denounce as a usurper. And from the very first, when merely at the head of a small band, no Chinese, acquainted with the history of his country, can refuse to see in such a man a possible, if not probable, founder of a dynasty. More than one Chinese dynasty has been founded by men like this; the Ming dynasty which preceded the present was so founded; and—what is really very important as an historical example

[1] *The Chinese and their Rebellions*, London, 1856.

—the greatest of all native Christian dynasties, that of Han, was so founded. If the reader will refer to Du Halde he will find the founder of the Han dynasty described as a 'private soldier' who became a 'freebooter' and 'captain of a troop of vagabonds.'"

It is thus manifest that the classes addicted to acquisitive violence have adopted, at the passing of the Manchus, precedents and proceedings sanctioned by usage long established, even to the polite deportment of robber bands. The anti-dynastic movement itself, in this instance, has differed from those of former times (as will be shown elsewhere) in that the rulers of the Forbidden City were quite prepared to go quietly, in return for their guaranteed pensions, and that the Republican programme has obviated (for the time being) the usual struggle for the Throne. But the conditions which followed swiftly throughout the country at the first signs of the passing of established order, have been precisely those to which the Chinese people have ever been exposed, and curiously submissive, at such times; conditions which, so to speak, suspend by common consent the constitution of Confucian morality, and which effect a radical redistribution of property by means of

> "The good old rule, the simple plan,
> That they should take who have the power,
> And they should keep who can."

This master passion for loot, which has nothing whatsoever to do with the political opinions of the looters or the looted, is undoubtedly nothing more than an acute symptom of chronic economic distress, of the precarious hand-to-mouth existence of a large portion of the population. Robber bands, pirates, Imperialist and Republican troops, all are equally and quite impartially active whenever movable property and treasure are to be had for the taking; but, as a general rule, the carnival of plunder which inaugurated the Republic was comparatively free from blood-

shed. Here and there, notably in Shansi and Shensi, the country was devastated and many lives lost in the fighting between secret society banditti, revolutionary troops, and the local inhabitants. Occasionally, as at Sianfu, the Manchu garrisons were butchered, and at Nanking the proceedings of General Chang Hsün's Imperialist troops ended in a massacre of students and innocent townspeople —but, on the whole, the loss of life has been small as compared with the destruction of property. The looting of Hsü Chou fu, by Chang Hsün's troops on the 9th of February was unmarred by any serious resistance and conducted with almost polite cheerfulness by the soldiers. The *North China Daily News* correspondent, an eye-witness of the scene (which may fairly be regarded as typical), thus describes it:

"The long-feared loot of the city came at last. Yesterday afternoon during the absence of General Chang Hsün, who had gone south to talk peace with the revolutionaries, a large part of his troops mutinied and started from the railroad station to sack the town. Practically all the local guards joined them in a flash and the usual crowd of common people swarmed after them. . . .

"The whole population seemed to go crazy at once. Everybody began to run somewhere else. The shopmen gazed stupidly at the tumult for a second and then they heard the cry 'The rebels have entered the city!' I have seen some quick moving at various times of my life, but never anything to beat the speed with which the shops put up their front doors. As I turned the first corner I heard a second shout, 'It's the mutiny of Chang's troops!' which turned out to be correct. Immediately the rifles began to crack and the bullets to whiz. By the time I had reached home and secreted a few valuables, the whole town was in a mad loot. One is simply dumbfounded at the speed and accuracy with which these troops put their plans into execution. Not only were the shops looted, but every rich man's house was spotted and looted before the people began to realise what was going on. The richest family in the

city, the Changs, is only a few steps from the Presbyterian compound, and we had a fine view of all that transpired. For half an hour a steady stream of silks, furs, quilts, silver, cash, and even horses and mules poured out of the gate. The booty was deposited in the West suburb, the soldiers returned for a second load, and by that time a living stream of the rabble was following in their wake.

"As soon as the Changs had been looted out clean, attention turned to the business section, with the result above stated. By midnight the shops were all done for, and for the remaining hours private families of any standing whatever were all included in the wreck."

I have dealt at length with this central symptom of Chinese unrest because it is necessary that the reader should realise the truth, that the political ambitions and academic aspirations of Young China, which have loomed so large in the European Press, are in reality factors of minor significance as compared with the economic problems directly traceable to the peculiar social structure and transmitted tendencies of the race. More than that; these new political experiments and the new bureaucracy thereto pertaining, cannot fail, by disturbing the business of the farmer and the merchant, to diminish and to waste the nation's actual resources, and thus, despite its extraordinary powers of recuperation, to make further disorders inevitable.

THE STRONG HAND OF AUTHORITY ESSENTIAL.

Consideration of these fundamental facts leads us directly to the conclusion that, pending a radical, and necessarily slow, modification of the structural character of the race, the one thing needful for the restoration and maintenance of internal order is the hand of a strong ruler; one who shall govern in the manner to which the Chinese are accustomed —*à l'Orientale*—with sympathy for the deep-rooted instincts of the masses; with due regard to local customs and Imperial traditions; with justice if possible, but in any case

with unswerving decision and courage. There have been instances in modern history, of autocratic rulers thus administering a nominally Republican Government—notably that of President Diaz in Mexico. The local habitation and the title of the executive are evidently matters of secondary importance, but upon the personality of the *de facto* ruler depend the destinies of the nation. From this point of view, and bearing in mind the composition and education of Young China, the prospect of a strong man being found and permitted to steer the ship of state through these perilous seas of change, seems indeed remote. For above all, the man who shall guide and govern the Chinese nation must command their respect by moral qualities; and the most notable characteristic of Young China until now has been the complete lack of mutual respect and confidence amongst its leaders. The sudden infusion of Western radicalism into minds steeped by tradition and environment in the Confucian morality, seems to have produced a vast ferment of ideas but no national ideals; a multitude of counsellors, but no conclusions.

SECONDARY SYMPTOMS OF UNREST.

If, looking beyond the organic symptoms of unrest, that wax or wane according to the fierceness of the struggle for bare life, we consider such other symptoms as have recently been most noticeable—such portents, for instance, as the sudden emergence of women into the political arena, the increasing frequency of political assassinations, the rivalry and divergence between North and South, and the accelerated tendency towards provincial autonomy—there must lie, I think, at the back of all our observations and opinions a vague but overpowering consciousness of the great mass of the people, for whom these things are but distant echoes of almost meaningless sound; a vision of the vast unfathomable deep, upon whose wreck-strewn

shores these restless spirits come and go. If, as Herbert Spencer says, the character of the aggregate is determined by the characters of the units, it must be in the future as it has been in the past; once the fierce storms of rebellion or invasion past, the nation's destinies must be determined by the slow-moving thoughts and deep-rooted instincts of the common people. In every great crisis, the dominant factor must be, not the conflicting opinions of the physicians, but the constitution of the patient.

In considering the actual condition, and forecasting the future, of China, however, it were unwise to overlook the effect, which spreading inwardly from the sea-board, has gradually been, and is being, produced on the slow-moving masses by the impact of Western civilisation. In the more isolated and remote parts of the country, this effect may still be almost imperceptible; there, to all appearances, the deep current of Chinese traditions and sage-taught philosophy flows unbroken, as it flowed in the Golden Age of the T'ang dynasty. *Eppur si muove*: even in regions to which no newspaper penetrates, there have been repeated tales of barbarian invaders and rumours of the desecration of the capital; the Boxer movement cast its ripples of superstitious chauvinism and unrest far beyond the provinces affected; and everywhere the tax-gatherer and the lekin collector have made the foreigners' indemnities a pretext for new and heavy exactions. For seventy years these uncomfortable apparitions from the West have been permitted to disturb in ever-increasing numbers the immemorial dignity of the Middle Kingdom, and the fact that the Manchu dynasty has been unable, either by force or by statecraft, to eject them, undoubtedly contributed to the general consensus of opinion which declared them unfit to rule. Whilst, therefore, the ideas of the average Chinese tiller of the soil concerning the outside world remain almost as vague and unformed as they were at the time of the Taiping rebellion, it is clear that the changes in national education and

competitive examinations decreed by the late Empress Dowager after her return to Peking in 1902, and the construction of railways, have insensibly affected the outlook of the city-dwellers, and particularly of those classes from which the "Western learning" students have been drawn.

THE MIND OF THE MASSES.

Travellers whose recent observations extend to the furthest western frontiers bear witness to the fact that in China, as in India, the impact of the West has produced an unmistakable effect upon the educated classes, breeding a spirit of insubordination to authority and unrest which must in time affect the political inertia of the masses. The upper strata of Chinese society, close-pressed by economic problems, and perturbed as to the future, looks for new opportunities for political agitation, aided by the activities of its secret societies and social-political organisations. The toiling masses must in time and to some extent be influenced by their activities, and learn something of their underlying motives, if only because these will find their expression, sooner or later, in new taxes or "patriotic loans." Hitherto the sons of Han have been accustomed to live their frugal, laborious, but not undignified lives under traditions sanctioned by two thousand years of splendid isolation, caring nothing for politics, asking nothing of social reformers. Now, confronted with menace of outer barbarians on all their borders, torn between the counsels of foreign missionaries and native politicians, confronted by the sudden removal of queues and other ancient landmarks, it would be strange if, amongst them, the professional agitator found no explosive materials ready to his hand. Nevertheless, when the politicians of to-day describe their ready-made Republic as the "deliberate and conscious expression of the will of the Chinese people," they are merely proclaiming, in the

language common to demagogues, that they themselves are the people, and that wisdom shall die with them.

The most cursory examination of the writings of native and foreign observers of the state of China since the conclusion of the Russo-Japanese war reveals a very general disposition to exaggerate the importance of those symptoms of unrest which arise from, and are in many cases confined to, the political elements of Young China and at the same time to assume that they will speedily modify the deep-rooted instincts and impulses of the masses which have survived so many perils of change, outlived so many dynasties. That the European resident in China should find his historical sense and political perspective somewhat confused and obstructed by the turmoil at his very doors is not, in itself, surprising. The mandarins and students with whom he comes in contact at Peking or at the Treaty Ports represent sectional and class interests as remote as his own from those of the bulk of the Chinese people ; and the youthful vigour and enthusiasms of Young China are naturally infectious. In these enthusiasms he may be excused for occasionally losing sight of the interested bias which underlies this political ferment, and for ignoring the historical fact than many such storms have swept across the deep waters of this people's soul without altering its outlook on life or reducing its infinite capacity for atavistic resistance to change. Mongols, Manchus and native rulers in turn have had their little days, and gone their ways, leaving the Chinese people firmly fixed in their old traditions, their old beliefs. The Cantonese graduate from Yale, the vociferous student from Tokio and his sister from the American Mission School may proclaim with pathetic sincerity the dawn of a new era and the regeneration of their race. In the tumult of their clamour, the insistent voice of the past is lost ; while the people itself remains inarticulate as of old. And so it comes to pass that European diplomats, journalists, merchants and missionaries,

" blinded by an hypothesis or carried away by an enthusiasm," find themselves committed to the profession of hopes, which all human experience has shown to be utterly delusive.[1]

EUROPEAN OBSERVERS FREQUENTLY MISLED.

Even in the case of philosophical and dispassionate observers at a distance, untroubled by the personal equation and its needs, there frequently occurs a similar tendency. Professor Reinsch,[2] for instance, who approaches the social and political problems of the Far East with much historical knowledge, critical insight and sympathy, fails, nevertheless, to distinguish between real and fundamental symptoms of unrest and those artificially created symptoms which tend to monopolise popular attention. He, like many another scholar, has thought more than he has learned about the Chinese people. While admitting that the masses are not yet politically conscious, he fails to realise their permanent economic consciousness and its inevitable result upon the situation now in process of development. He knows that most of the panaceas proposed by Young China are " the superficial conclusions of immature minds," yet believes in the possibility and utility of a Chinese Parliament for the present generation.[3] He likens the political unrest of the Chinese student to that of his Indian prototype, believing in " the deep unity of Asiatic civilisation." But the Manchus were never a dominant class of aliens like the British Raj in India. Influenced by a natural prejudice in favour of Republican ideals of Government, and believing that " since Japan inflicted upon Russia a signal defeat, the entire Orient is pulsating with a new life, all Asia vibrant to follow

[1] *Vide* Herbert Spencer, *Study of Sociology*, Chap. XI.

[2] *Intellectual and Political Currents in the Far East.* 1912.

[3] " Foreign as this conception is to the inherent character of Oriental authority," he says, " the exigencies of political life have prevailed and the counsellors of the Empire have placed the institution of a Parliament among the leading reforms which are to give China a new vitality."

in the wake of Japan," it is natural enough that Professor Reinsch, like many a closet philosopher, should regard the activities of Young China's journalists and politicians as indicating a general and moral awakening of the Chinese people to political consciousness and vigorous nationalism. By the eye of faith, such observers see and welcome in the National and Provincial Assemblies the definite establishment of popular representation by election. Considered from this point of view, the adoption (in principle) by those bodies of woman suffrage and national conscription, emerges from the desert regions of jejune academics into that of fruitful and rational politics. The spectacle of Young China's eager and tumultuous progress towards the highest citadels of our own political Utopias seems, indeed, to have an almost hypnotic effect upon many observers. If only the precept of political virtue bore any relation to its practice, there would indeed be good cause for rejoicing at the results attained by the Commission of Constitutional study, at the establishment of a system of government which begins by solemnly excluding from the franchise all those "who in business are not just and honourable, who have been accused and not yet cleared, who use opium, who have heart disease, who belong to a family of sullied reputation, or who do not know the language." But for those who have studied recent Chinese history, and who have personal experience of the fatal and universal facility of mandarins, old and new, for making endless regulations, there is something unusually pathetic in the disinterested optimism which takes such things seriously and regards them as healthy symptoms of regeneration. Those who have studied the practice, as distinct from the theory, of political careers in China are aware, for instance, that the category of "those who have been accused and not yet cleared" at the tribune of their own contemporaries includes practically every prominent member of the present government. More than this, they know that outside of the Southern Maritime provinces, there

Troops of the Third Division leaving Peking, March 2, 1912.

Yuan Shih-k'ai's Mutinous Troops leaving Peking with their Loot on the 2nd of March, 1912.

exists no such thing as public opinion on political questions in China, and that the "elected representatives of the people" are nothing more than the self-constituted representatives, of a small and ambitious class. In other words, that the appearance of Parliamentary institutions is just as deceptive and just as ineffective as the wording of Imperial Edicts has been since the days of the T'ang dynasty.

Let us consider, however, the prevalent symptoms of unrest; differentiating, as far as possible, between those of political origin and those resulting from the introduction of new factors and forces brought to bear upon the social and economic conditions of the masses. This method of classification must necessarily involve a certain amount of overlapping at points where politics and economics meet; but it will serve.

In the first category we may include: The fear of foreign aggression, the increasing tendency to provincial and local autonomy, the agitation concerning foreign loans and indemnities, and the cleavage between North and South.

To the second category belong; Indiscipline and acquisitive violence of Government troops and newly enrolled militias; financial stringency; dislocation of internal trade, caused by bank failures, depreciated currency, &c.; increasing frequency of forced loans and currency levies by Republican and local authorities; increase in the numbers and destitution of unemployed *literati*; and of Western learning students; fiscal chaos; popular opposition to all direct taxation; and failure to enforce the abolition of opium cultivation in many provinces.

THE FEAR OF FOREIGN AGGRESSION

As regards the fear of foreign aggression and matters of external politics, it may be asserted, without fear of valid contradiction, that while the masses understand and care nothing about Imperial and national questions, their angry

fears may be aroused, as easily under the Republic as they were under the Manchus, by appeals to their instinctive racial prejudices. If the students and gentry throughout the country, jealous for the preservation of their own opportunities and local autonomy, follow the lead of the turbulent spirits of Szechuan and Kuangtung, and embarrass the Central Government by declaring that the country is being sold to the foreigner, the stupid people may be expected to signify their assent in the usual manner, namely, by the killing and despoiling of missionaries and native Christians. But the fear of foreign aggression, of schemes of territorial aggrandisement at China's expense, has virtually no weight with the masses, for the simple reason that their outlook on life is confined to its immediate necessities and perplexities. The average farmer or coolie of Central China asks nothing of his rulers but to be allowed to pursue his vocation and to rear his numerous offspring in peace, and the history of the race stands as conclusive evidence that the fact of the ruler being an alien does not necessarily trouble him. He believes in the Dragon Throne as the coping-stone of that enduring edifice which has the family for its base; he believes in the divine right of the Son of Heaven to rule, so long as he rules wisely and well—but he is generally indifferent to the *provenance* and policy of his rulers. Similarly, as regards the ever-vexed question of Peking *versus* the provinces, and the antagonism of North and South, the masses are generally indifferent because collectively ignorant in such matters. To the agricultural population of the northern and central provinces, the metropolitan administration is a dim and distant thing, associated chiefly with payments of land tax. Of North and South they reck but little; for the millions of Shantung or Shansi the restless activities of the Cantonese are as remote and unimportant as the inscrutable ways of Europeans. The popular opposition to centralisation and foreign loans may therefore be ascribed, in the words

of the scholar Yen Fu, to the "reverberations of discontented journalists."

These things scarcely touch the masses. But the symptoms of unrest arising from new factors brought to bear upon the economic conditions of the people as the result of Young China's activities and the passing of the dynasty, are widespread and fraught with serious possibilities. The chaotic state and depreciation of the currency have inflicted upon the nation at large hardships as grievous as the pillage by Government troops and local militias. The unrest created amongst the *literati* and gentry by the abolition of the old classical system of competitive examinations has left its mark of genuine distress in every town and hamlet throughout the eighteen provinces. The queue-cutting mania; the sudden introduction of strangely-garbed youths to replace the old order of officials; the assumption of authority by military commanders, superseding the civil mandarins; the local and spasmodic interference with opium cultivation, the general remission of land tax and lekin proclaimed in the first flush of Republican enthusiasm; these things have created unmistakable symptoms of unrest, for they affect the very foundations of the body politic, the fixed habits and unalterable rights of the peaceable and industrious masses.

These general conclusions are not applicable in their entirety to the Southern Maritime provinces (South Chê-kiang, Fukhien, Kuangtung and Kuangsi), where the political consciousness of the people, and their legitimate aspirations to a wider measure of local autonomy, are undeniable. The Cantonese, for instance, understand and acutely resent the attitude of those white races which have legislated against Asiatic immigration; they realise also the menace of foreign aggression and the significance of the Manchurian question. With the Cantonese, as one of the most important factors in the Chinese problem, I shall deal in a separate chapter.

CHAPTER III

THE PASSING OF THE MANCHUS

As the result of the recent political and literary activities of Dr. Sun Yat-sen and his adherents, reinforced by the sympathetic but indiscriminating lucubrations of certain English and American writers, the impression has been widely created that the Chinese people, in expelling the Manchu dynasty, have freed themselves from an unbearable burden of tyrannical oppression and misrule. It was natural enough that the leaders of the Republican party, with a keen utilitarian sense of dramatic effect, should justify their successful revolution by such an appeal to the sentiment and sympathy of Europeans in general and Anglo-Saxons in particular. The spectacle of a down-trodden race, nobly striving to be free, is one that carries its own instinctive appeal; and Dr. Sun Yat-sen has been wise in his generation. I need not refer to the fantastic stories of the genesis of the revolution that have been circulated in the yellow journals of the United States; English readers will find the unexaggerated results of Dr. Sun Yat-sen's constructive memory embodied in a little book [1] published by Dr. Cantlie, whose sincere sympathy for the Chinese reform movement, combined with personal enthusiasm for the reformer, has carried him into regions from which the chill breath of conflicting facts is completely excluded. Dr. Cantlie was Dean of the College of Medicine in Hongkong

[1] *Sun Yat-sen and the Awakening of China.* Jarrold, 1912.

from 1889 to 1896, and in this capacity came into contact with Sun Yat-sen, the first graduate of that college. His attitude towards this highly interesting but purely exotic type of Young China is frankly that of an enthusiastic admirer, and it goes far to explain the impressions created and the influence gained by Sun during his career as political conspirator abroad, and after his triumphal appearance on the scene as Provisional President at Nanking. In Dr. Cantlie's case, the original impression, as described in his own words, was that "of a nature that draws men's regard towards him and makes them ready to serve him at the operating-table or on the battlefield; an unexplainable influence, a magnetism which prevaileth and finds its expression in attracting men to his side." The spell cast by this personal magnetism was deepened, no doubt, by Dr. Cantlie's subsequent relations with Sun, the conspirator in exile, and especially by the part which he himself was privileged to play in obtaining the release of the reformer, kidnapped by the Chinese Legation in London in 1896. Of Sun's sincerity, of his courage, modesty, patriotism and intelligence, there can be no question. His remarkable personality and romantic career have rightly won for him the admiration and devotion of many of his countrymen, and his influence with the younger generation of foreign-educated Cantonese is undeniable. Nevertheless, when all is said and done, he remains a dreamer of dreams; his ideals of government and reform are the result of undigested Socialistic theories combined with a purely imaginative and idealised conception of China and the Chinese.

A semi-Oriental, reared and trained amongst Europeans, he reveals the Oriental's peculiar lack of historical consciousness, unredeemed by the European's attitude of scientific inquiry; and his writings, as well as his public performances, display the almost inhuman lack of humour which characterises many of the world's political crusaders. His attitude and utterances in regard to the Manchus are

in themselves quite sufficient to prove Sun Yat-sen a blind leader of the blind; in the cold light of history, they appear so fantastic and childish that, were it not for their visible effect upon Young China and Old England, they would scarcely be deserving of attention. Sun Yat-sen and other notable leaders of the Cantonese Republican party are dealt with elsewhere; for the present we are concerned only with their version of the rise and fall of the Manchu dynasty and the genesis of the Chinese Republic.

THE REPUBLICAN MANIFESTO.

On the 5th of January, 1912 (that is to say, five weeks before the abdication of the Manchus), Sun Yat-sen, as President-Elect of the Republican Government at Nanking, and Wu Ting-fang, his Minister of Foreign Affairs, issued a "Manifesto to all friendly nations from the Republic of China." This characteristic document is worthy of reproduction, if only as a remarkable example of purely imaginative history. The voice is the voice of Sun Yat-sen, but the hand seems to be the hand of the American political missionary. Here we have, directed against the whole Manchu hierarchy, the same wealth of vituperative energy which "Wen-Ching"[1] and other followers of K'ang Yu-wei directed against the Empress Dowager and Jung Lu after the *coup d'état* of 1898; but with this essential difference, that the Reform leaders of that date aimed at a gradual reorganisation of the State by means of education and constitutional measures, whereas the foreign-educated Republicans of the present crisis are frankly iconoclastic and blind to the essentially conservative tendencies of the Chinese people.

The following is the text of the Republican manifesto:—

"Greeting.—The hitherto irremediable suppression of the individual qualities and national aspirations of the people

[1] "The Chinese Crisis from Within," by "Wen Ching" (Lim Boon-keng). Grant Richards, 1901.

having arrested the intellectual, the moral, and the material development of China, the aid of revolution has been invoked to extirpate the primary cause, and we now proclaim the resultant overthrow of the despotic sway wielded by the Manchu Dynasty and the establishment of a Republic.

"The substitution of a Republic for a Monarchical form of Government is not the fruit of a transient passion. It is the natural outcome of a long-cherished desire for broad-based freedom making for permanent contentment and uninterrupted advancement. It is the formal declaration of the will of the Chinese nation.

"We, the Chinese people, are peaceful and law-abiding. We have waged no war except in self-defence. We have borne our grievances during two hundred and sixty-seven years of Manchu misrule with patience and forbearance. We have by peaceful means endeavoured to redress our wrongs, secure our liberty, and ensure our progress, but we have failed. Oppressed beyond human endurance we deemed it our inalienable right as well as our sacred duty to appeal to arms to deliver ourselves and our posterity from the yoke to which we have so long been subjected, and for the first time in our history inglorious bondage has been transformed to an inspiring freedom, splendid with the lustrous light of opportunity.

"The policy of the Manchu dynasty has been one of unequivocal seclusion and unyielding tyranny. Beneath it we have bitterly suffered, and we now submit to the free people of the world the reasons justifying the revolution and the inauguration of our present government.

"Prior to the usurpation of the Throne by the Manchus the land was open to foreign intercourse and religious tolerance existed, as is evidenced by the writings of Marco Polo and the inscription on the Nestorian tablet of Sian-fu.

"Dominated by ignorance and selfishness the Manchus closed the land to the outer world and plunged the Chinese people into a state of benighted mentality calculated to operate inversely their natural talents and capabilities, thus committing a crime against humanity and the civilised nations almost impossible of expiation.

"Actuated by a desire for the perpetual subjugation of the

Chinese, by a vicious craving for aggrandisement and wealth, the Manchus governed the country to the lasting injury and detriment of our people, creating privileges and monopolies and erecting about themselves barriers of exclusion in national customs and personal conduct which have been rigorously maintained throughout the centuries.

"They have levied irregular and unwholesome taxes upon us without our consent, have restricted foreign trade to Treaty Ports, placed lekin embargoes upon merchandise in transit; and obstructed internal commerce.

"They have retarded the creation of industrial enterprises; rendered impossible the development of natural resources, and wilfully neglected to safeguard vested interests.

"They have denied us a regular system and impartial administration of justice; inflicted unusual and cruel punishments upon all persons charged with offences whether innocent or guilty; and frequently encroached upon our sacred rights without due process of law.

"They have connived at official corruption; sold offices to the highest bidder; and have subordinated merit to influence.

"They have repeatedly rejected our most reasonable demand for better government, and have reluctantly conceded pseudo-reforms under most urgent pressure, making promises without intention of fulfilling them; and obstructing efforts towards national elevation.

"They have failed to appreciate the anguishing lessons taught by the foreign Powers in the process of years, and have brought themselves and our people beneath the contempt of the world."

(Here follows a declaration of the Republic's foreign policy, which concludes as follows:)

"It will be our constant aim and firm endeavour to build upon a stable and enduring foundation a national structure compatible with the potentialities of our long-neglected country.

"We will strive to elevate our people; secure them in peace, and legislate for their prosperity.

"To those Manchus who abide peacefully within the

Photo, Manuel.

DR. SUN YAT-SEN.

limits of our jurisdiction we will accord equality and give protection.

"We will remodel our laws; revise our civil, criminal, commercial and mining codes; reform our finances; abolish restrictions to trade and commerce, and ensure religious toleration.

"The cultivation of better relations with foreign peoples and governments will ever be before us. It is our earnest hope that the foreign nations who have been steadfast in sympathy will bind more firmly the bonds of friendship, that they will bear in patience with us in the period of trial confronting us in our reconstructive work, and that they will aid us in the consummation of the far-reaching plans which we are now about to undertake, and which they have been so long and so vainly urging upon the people of this our country.

"With this message of peace and good-will the Republic of China cherishes the hope of being admitted into the family of nations, not merely to share their rights and privileges but also to co-operate with them in the great and noble task called for in the upbuilding of the civilisation of the world.

"(Signed) SUN YAT-SEN, *President.*

"(Countersigned) WU TING-FANG,

"*Minister for Foreign Affairs.*

"Dated, Nanking, 5th day of the 10th Month of the First year of the Republic of China. (5th January, 1912)."

REVERENCE AT THE SHRINE OF THE FIRST MING EMPEROR.

On February 15th, three days after the Manchu Government's Edicts of abdication, Sun Yat-sen took the leading part in a ceremony wherein was conspicuously displayed the perfervid emotionalism which is one of Young China's peculiar characteristics. This was the formal offering of sacrifice, obeisance and prayer before the ancestral tablet

of Chu Yuan-chang, the mendicant priest who, as leader of a successful rebellion, expelled the Mongols in 1368 and became the founder of the native dynasty of the Mings. That Sun Yat-sen and his strange following of students, youthful generals and Japanese advisers should do honour to the memory of one who had driven forth an alien ruler, was natural and fitting enough; but that they should exalt the memory of the Mings, on their merits, above the Manchus, and describe the latter as barbarians and despots, indicated either lamentable ignorance of history or constitutional disregard of truth. Making all reasonable allowance for the dramatic instincts aroused by a ceremony which carried its direct appeal to an ancestor-worshipping race, the prayer offered up by Sun Yat-sen at the shrine of Hung Wu strikes a distinct note of bombastic insincerity and the whole performance savours of a deliberate pose, "*pour épater le bourgecis.*" The following translation of the President's prayer was published in *The Times* of the 3rd of April.

"Of old, the Sung dynasty became effete, and the Liao Tartars and Yuan dynasty Mongols seized the occasion to throw this domain of China into confusion to the fierce indignation of gods and men. It was then that Your Majesty, our founder, arose in your wrath from obscurity, and destroyed those monsters of iniquity, so that the ancient glory was won again. In twelve years you consolidated the Imperial sway, and the dominions of the Great Yü were purged of pollution and cleansed from the noisome Tartar. Often in history has our noble Chinese race been enslaved by petty frontier barbarians from the North. Never have such glorious triumphs been won over them as Your Majesty achieved. But your descendants were degenerate and failed to carry on your glorious heritage; they entrusted the reins of government to bad men, and pursued a short-sighted policy. In this way they encouraged the ambitions of the eastern Tartar savages, and fostered the growth of their power. They were thus able to take advantage of the presence of rebels to invade and

possess themselves of your sacred capital. From a bad eminence of glory basely won, they lorded it over this most holy soil, and our beloved China's rivers and hills were defiled by their corrupting touch, while the people fell victims to the headman's axe or the avenging sword. Although worthy patriots and faithful subjects of your dynasty crossed the mountain ranges into Canton and the far south, in the hope of redeeming the glorious Ming tradition from utter ruin, and of prolonging a thread of the old dynasty's life, although men gladly perished one after the other in the forlorn attempt, heaven's wrath remained unappeased, and mortal designs failed to achieve success. A brief and melancholy page was added to the history of your dynasty, and that was all.

THE ALLEGED DESPOTISM OF THE MANCHUS.

"As time went on, the law became ever harsher, and the meshes of its inexorable net grew closer. Alas, for our Chinese people, who crouched in corners and listened with startled ears, deprived of power of utterance, and with tongues glued to their mouths, for their lives were past saving! Those others usurped titles to fictitious clemency and justice, while prostituting the sacred doctrines of the sages, whom they affected to honour. They stifled public opinion in the Empire in order to force acquiescence in their tyranny. The Manchu despotism became so thorough and so embracing that they were enabled to prolong their dynasty's existence by cunning wiles. But even so, rebellions occurred. In Yung Cheng's reign, the Hunanese Chang Hsi and Tseng Ching preached sedition against the dynasty in their native province, while in Chia Ching's reign the Palace conspiracy of Lin Ching dismayed that Monarch in his capital. These events were followed by rebellions in Szechuan and Shensi: under Tao Kuang and his successor, the Taipings started their campaign from a remote Kuangsi village. Although these worthy causes were destined to ultimate defeat, the gradual trend of the national will became manifest. At last our own era dawned, the sun of

freedom had risen, and a sense of the rights of the race animated men's minds. In addition, the Manchu bandits could not even protect themselves. Powerful foes encroached upon the territory of China, and the dynasty parted with our sacred soil to enrich neighbouring nations. The Chinese race of to-day may be degenerate, but it is descended from mighty men of old. How should it endure that the spirits of the great dead should be insulted by the everlasting visitation of this scourge?

PREVIOUS INSURRECTIONS.

"Then did patriots arise like a whirlwind or like a cloud which is suddenly manifested in the firmament. They began with the Canton insurrection: then Peking was alarmed by Wu Yüeh's bomb (in 1905). A year later Hsü Hsi-lin fired his bullet into the vitals of the Manchu robber chief, En Ming, Governor of Anhui. Hsiung Chêng-chi raised the standard of liberty on the Yangtsze's banks: rising followed rising all over the Empire, until the secret plot against the Regent was discovered, and the abortive insurrection in Canton startled the capital. One failure followed another, but other brave men took the place of the heroes who died, and the Empire was born again to life. The bandit Manchu Court was shaken with pallid terror, until the cicada shook off its shell in a glorious regeneration, and the present crowning triumph was achieved. The patriotic crusade started in Wuchang; the four corners of the Empire responded to the call. Coast regions nobly followed in their wake, and the Yangtsze was won back by our armies. The region south of the Yellow River was lost to the Manchus, and the north manifested its sympathy with our cause. An earthquake shook the barbarian Court of Peking, and it was smitten with a paralysis. To-day it has at last restored the Government to the Chinese people, and the five races of China may dwell together in peace and mutual trust. Let us joyfully give thanks. How could we have attained this measure of victory had not Your Majesty's soul in heaven bestowed upon us your protecting influence?

"I have heard say that triumphs of Tartar savages over our China were destined never to last longer than a hundred years. But the reign of these Manchus endured unto double, ay, unto treble, that period. Yet Providence knows the appointed hour, and the moment comes at last. We are initiating the example to Eastern Asia of a Republican form of Government; success comes early or late to those who strive, but the good are surely rewarded in the end. Why then should we repine to-day that victory has tarried long?

"I have heard that in the past many would-be deliverers of their country have ascended this lofty mound wherein is your sepulchre. It has served to them as a holy inspiration. As they looked down upon the surrounding rivers and upward to the hills, under an alien sway, they wept in the bitterness of their hearts, but to-day their sorrow is turned into joy. The spiritual influences of your grave at Nanking have come once more into their own. The dragon crouches in majesty as of old, and the tiger surveys his domain and his ancient capital. Everywhere a beautiful repose doth reign. Your legions line the approaches to the sepulchre; a noble host stands expectant. Your people have come here to-day to inform your Majesty of the final victory. May this lofty shrine wherein you rest gain fresh lustre from to-day's event and may your example inspire your descendants in the times which are to come. Spirit! Accept this offering!"

Expatiating, in the *North China Daily News*, on the historic and political significance of this picturesque ceremony, Mr. Lim Boon-keng (author of "The Chinese Crisis from Within") observed that "it was worth more than ten victories and put the coping-stone to the great work to which President Sun Yat-sen had devoted the best part of his life, and for the completion of which *the whole Chinese people of* 400,000,000 *had patiently prayed, secretly laboured and finally accomplished.*" Mr. Lim Boon-keng, it is needless to state, is a Cantonese; he is a man of good education and position, having served as a member of the Legislative

Council of Singapore. In 1898 he was a staunch disciple of K'ang Yu-wei and a most loyal subject of His Manchu Majesty, Kuang Hsü, friend and protector of the Constitutional reformers. When, therefore, he concludes an extravagant panegyric of the Republican leader by referring to the Mings as "national heroes, whose house was cruelly destroyed by the Manchu usurpers," it is impossible to avoid the conclusion that he and his friends have sought to gain the sympathy and support of the outside world by deliberate distortion of historical facts. His statements, in fact, are no more to be taken seriously than that of Sun Yat-sen which informed the shade of Hung Wu that "the dragon crouches in majesty as of old. Everywhere a beautiful repose doth reign."

It requires neither intimate knowledge of Chinese history nor close acquaintance with the Chinese people, to realise that if the Manchus have lost the Dragon Throne, it is not because they were tyrants and despots, but because they were inefficient, ignorant and effete; because the tribute which they consumed, and the power and patronage which they exercised by tradition of sovereignty was coveted by a body of men better organised, more intelligent and more determined than themselves; because the advance of popular education, the work of the vernacular Press, and, above all, repeated foreign encroachments and invasions, had impressed upon the restless intelligence of the Cantonese the fact that the Manchus were no longer to be feared. In other words, the time had come for one of those periodical upheavals, which, as the history of the nation proves, inevitably occur when the rulers have lost the will or the power to govern by force. The history of the dynasty since the expulsion of the Mings, even in the days of the famous Emperor K'ang Hsi, proves that the turbulent population of the South-Eastern maritime provinces has always been eager for any and every opportunity of successful revolt. Rebellion in China, as I have shown in a previous chapter, is a direct result of

economic pressure, and the right to rebel has been recognised for ages as a safety valve and an element of structural stability providing either a rapid antidote or a quietus to symptoms of degeneration in the Empire's rulers.

THE RISE AND FALL OF THE MANCHU DYNASTY.

Let us consider, however, the passing of the Manchus, not through the distorted medium of this Republican manifesto but in the light of established historical facts. It is to be observed, in the first place, that the native dynasty of the Mings was overthrown, not by an invasion of the Manchus, but by a Chinese rebellion which commenced in Shensi and devastated the country during nine years of civil war. When the Imperialist forces had been finally routed, when the rebel chief Li Tsz-ching had taken possession of Peking and the last of the Mings had hanged himself on the Coal-hill; when Li had already declared the establishment of a new Chinese dynasty in his own person; then it was that the Manchus were invited by Wu San-kuei, an irreconcilable Imperialist general, to join their forces to his own for the restoration af the Mings. Li Tsz-ching's army, having been defeated by the aid of the Manchus in a great battle near Shan-hai-kuan, fled southwards and west, after looting Peking, pursued by the impetuous Wu San-kuei. The Manchus found the Throne unoccupied and the country weary of strife. Thus was their dynasty established; thus were the Mings overthrown, having exhausted the mandate of Heaven, by the same process of internal rebellion which had made them rulers of the Empire.

The Manchus having occupied the vacant Throne of China and made good their authority, wherever contested, by force of arms, their rulers displayed administrative and political wisdom of a kind which proved that in their two generations of intercourse and warfare in Manchuria, the "Eastern Tartar savages" had assimilated all that was essen-

tial of the superior civilisation of the Chinese. At the outset, they had recourse to a feudal system of administration, availing themselves everywhere of the services of the ablest and most influential Chinese as vassal princes and governors; respecting everywhere the local customs and sentiments of the people; retaining the Confucian philosophy and literary traditions as the foundation of good government. Under the illustrious Emperor K'ang Hsi (second of the dynasty), China was wisely and orderly governed, and the government itself gradually centralised. No educated Chinese, unless utterly blinded by political prejudice, will deny that the rule of this sovereign brought more glory to China and more good to her people than that of any Ming Emperor. A brave soldier, a wise statesman and a great scholar, with the best interests of the people at heart, his reign was marked by the encouragement of learning, by the suppression of disorder, and by material advance in every direction. The long reign of the fourth Emperor—Ch'ien Lung—further increased the prestige of the dynasty, enlarged the borders of the Empire and brought peace and prosperity to the nation.

It is with the death of this monarch that the decline of the Manchu house begins, the physical and moral fibre of the descendants of Nurhachi having degenerated as the result of their tribute-fed ease and the enervating influences of their licentious Court. With the accession of Chia Ch'ing, the ever-latent activities of the secret societies of the South assumed the form of organised opposition to the government. The "White Lily" insurrection devastated six provinces between 1797 and 1806; hardly was it suppressed than another rebellion broke out in Hunan. Piracy and lawlessness became rampant throughout the land; corruption and disorganisation steadily increased at Peking. Some idea of the rate at which disintegration proceeded may be gathered from a comparison of the reception and results of Lord Macartney's Mission to the Court

of Ch'ien Lung in 1795, and that of Lord Amherst's Mission to His Majesty Chia Ch'ing in 1816.

INCREASE OF POPULATION UNDER THE EARLIER MANCHU EMPERORS.

It would be wrong, however, to describe the insurrectionary and revolutionary tendencies which henceforth became chronic in the central and southern provinces as solely, or even directly, due to popular dissatisfaction with the morals and proceedings of the Sovereign and his Court. As I have endeavoured to show, the basic cause of unrest in China has always been economic. If we examine the most trustworthy information available on the subject of China's vital statistics we find therein ample justification for the conclusion that in this instance, as in many others, the movement of large masses of the people in arms against constituted authority synchronised with a period in which, as the direct result of prolonged peace and prosperity, the problem of population versus food-supply had again become acute. According to the carefully tested evidence of Père Amiot (Jesuit missionary at the Court of Ch'ien Lung), the total population of China proper at the first census taken by the Manchus after the restoration of order in 1651, was about 55 millions; which, as Rockhill[1] shows, is something less than the number given in the first census of the Han dynasty (A.D. 1) and about the same as that which Kublai Khan found at the time of the establishment of his Mongol dynasty in 1295. The last census taken by the Mings, sixty years before their end, had shown a population of 64 millions. In other words the rebellion against the Mings was accompanied by the slaughter usual during such upheavals, and the Manchus took over an Empire unafflicted

[1] *Inquiry into the Population of China*, by W. W. Rockhill. Washington, 1904.

by overcrowding. K'ang Hsi's long campaigns against Wu San-kuei and the other vassal chiefs who resisted his policy of centralisation, served to check the natural increase of the population until the year 1681, when peace became generally established in China proper. According to the *Tung Hua Lu*, the official census of 1680 showed a total of about 75 million souls. From this time forward we find the population steadily increasing. The figures given by Rockhill, after careful comparison and analysis of evidence, show that in 1720, three years before the death of K'ang Hsi, the total had reached 125 millions. In 1743, at the beginning of Ch'ien Lung's reign it was 143 millions. In 1783, towards the end of that reign, the Chinese Government's official estimate was 283 millions; in 1812, under Chia Ch'ing, it had increased to 360 millions. In 1842, before the outbreak of the Taiping rebellion, the figure had risen to 413 millions. In 1862, after the vast slaughter and wastage of that insurrection, we find the Chinese Government's census recording a total of 261 millions. In addition to the losses occasioned by battle, murder and sudden death during the period of extreme pressure, it is recorded in the dynastic annals that by four great famines (in 1810, 1811, 1846 and 1849) the population had been reduced by about 45 millions.

We are therefore undoubtedly justified in tracing a direct connection between the rapidly increasing pressure of population in Chia Ch'ing's reign and those manifestations of widespread unrest, which at that time began to take definite shape and direction against the Manchu dynasty. As usual, these symptoms of disorder first showed themselves in the mountainous sea-board provinces of south-eastern China, a region whose inhabitants have always been distinguished from the passive resisters of the alluvial plains by their adventurous and daring character, by those qualities, in fact, which, all the world over, belong to the mariner and the mountaineer. The fact requires emphasis that it needed

fifty years of desultory warfare to bring these provinces under the control of the Manchu warrior-kings, and that, even after their political subjugation, there remained always a nucleus of rebellion and a focus of unrest in the secret societies, which had for their political creed the overthrow of the Tartar dynasty and the restoration of the Mings.

THE IMMEDIATE CAUSES OF THE TAIPING REBELLION.

The separatist tendencies common to coastland peoples have ever been aggravated in the Chinese of Fukhien, Kuangtung and Kuangsi by their geographical isolation, by the barriers of the unbroken mountain range which separates them from the central provinces on their northern and western borders. To the traditional characteristics of the Cantonese and the qualities which have made them the political and intelligent *élite* of the Chinese race, I refer elsewhere: but I may here observe, that the activities of the "White Lily," Triad, and other secret societies which derived their inspiration and organisation from Canton, were more or less latent during the reigns of K'ang Hsi, Yung Cheng and Ch'ien Lung, but became more and more formidable as the pressure of increasing population aggravated the difficulties of the individual struggle for existence. For two hundred years after the establishment of the Manchu dynasty, these secret societies worked to all intents and purposes for the protection of the local interests of pirates, land robbers, and other outlaws, the organised state of China's chronic malcontents; but as the *moral* of the Government weakened and as disaffection increased with the pressure of population, they showed—as they show to-day—a remarkable capacity for political intrigue on a large scale, and their activities rapidly assumed the complexion and authority of a widespread national and anti-dynastic movement. The Taiping rebellion, which temporarily relieved the enormous burden of population in southern and central

China, was the direct result of the activities of the Triad Society, stimulated by a semi-religious, semi-piratical fanaticism similar to that which animated the Boxers in 1900; and the suppression of that rebellion, effected with the assistance of foreigners, merely afforded a breathing space in the march of events which clearly foreshadowed the collapse of an effete dynasty. Writing of that rebellion, in the year 1856, Meadows[1] hesitated between the probabilities either of the expulsion of the Manchus, or of their "complete re-establishment in power after purifying hardships and a bracing struggle." He failed to perceive, however, that the military organisation and race cohesion of the Imperial clans were already things of the past, and that if the Manchu rule were to survive, it could only be by the exercise of shrewd state-craft on the *Divide et Impera* principle, and by securing the continued loyalty of the ablest and most influential Chinese Viceroys and Governors.

THE MANCHUS' FALL TEMPORARILY CHECKED BY TZŬ HSI.

The infinite resource, indomitable courage and personal influence of the Empress Dowager, Tzŭ Hsi, undoubtedly rescued the dynasty at a crisis which, but for her, would have brought the Manchus' rule to an end with the flight and death of her husband, the Emperor Hsien Feng. Loyalty to her person and enthusiasm for her genius inspired for two generations the untiring efforts of China's foremost soldiers and statesmen in upholding the Dragon Throne—picked men, of the stamp of Tso-Tsung-t'ang, Tseng Kuo-fan, and Liu K'un-yi. For fifty years hers was the brain, hers the strong hand, that held in check the rising forces of disintegration; and when she died, it required no great gifts of divination to foretell the approaching doom of the Manchu. She herself perceived it clearly enough. She saw the Empire threatened by irresistible forces of aggression from without

[1] *The Chinese and their Rebellions*, p. 106.

H.I.H. Prince Tsai-Chen, son of Prince Ch'ing,
Special Ambassador to the Coronation of King Edward

and incurable disorganisation within; she knew her clansmen to be hopelessly sunken in lethargic inefficiency and corruption, and she realised that the only hope of preserving the Empire under lingering traditions of Manchu sovereignty lay in a complete fusion of the races and in the surrender of the "Tribute-eaters'" privileges and pride of caste. Her edicts, during and after the "return from the wilderness" in 1901 and 1902,[1] clearly reveal appreciation of the dangers which threatened not only the Manchu dynasty, but the survival of China as a sovereign State.

As a matter of fact, *pace* Dr. Sun Yat-sen's denunciations of Manchu despotism and tyrannical abuses of power, the latter-day descendants of the virile stock which established the dynasty have not been rulers of China, in any accepted sense of the term, for the past fifty years; nor have the Manchus been even a completely distinct race. A few slumbering garrisons of *soi-disant* Tartars still held their traditional places at various provincial centres, eating the Imperial rice in uselessness; but none of them ever retained either fighting instincts of pride of race.

> "Ah, take the cash and let the credit go
> Nor heed the rumble of a distant drum."

So it was with the eight Banners corps at Peking and Moukden. The pride and panoply were there; the Iron-capped Princes and all the ancient pomp and circumstance of a military hierarchy; but the spirit was dead within them. The originally pure Manchu stock of the three eastern provinces had been gradually assimilated, by intermarriage and other causes, in the ever-rising tide of the Chinese population; even their language had died out, except amongst a few outlying tribes in Hei-lung-chang, so that the race possessed neither literature nor enduring traditions capable of arousing it from lethargic decay. Two centuries of Capuan ease had sufficed to reduce the Peking Bannermen

[1] Vide *China under the Empress Dowager*, pp. 427–8.

to the condition of that genus of wingless ants which breeds no workers, and which, to live, must be served by communities of toilers. Relieved by their system of State grants from all necessity of mental or bodily activity, clinging always to the capital to draw their monthly doles of idleness, what wonder if they degenerated into a hopeless mob of poor relations, parasites that lived in corruption and intrigue about a Throne which they could no longer defend ?

Tzŭ Hsi, with her clear vision, realised this bitter truth : none knew better than she the rottenness of the Manchu state. If she ruled China, as she did for half a century, it was not because of any help that she received from ignorant and effete kinsmen, for amongst them all only two proved worthy of her confidence, or in any way comparable with the best of the Chinese statesmen who served her. She maintained the prestige and authority of her reign by sheer force of her own courage and intelligence, instinctively solving the problems of government by a masterly policy, preserving its equilibrium by the shrewdest use of all available resources, and by the constant diversion of hostile elements. But when, towards the close of her days, after the Boxer *débâcle*, she realised that the future of China and the fortunes of her House must depend upon the immediate adoption of a policy of radical reform, she realised also that her Manchu kinsmen were individually and collectively incapable of the effort. She perceived that the intellectual awakening of the Chinese people, the birth of new forces of nationalism, must ere long deprive the Manchu drones of their privileges and pride of place. She saw the restraining influences of Confucianism being rapidly undermined by the "new learning," and the divine right of her Imperial House threatened by the aspirations of Young China, and she realised that Manchu rule, in its existing form, was surely doomed. She foresaw, too, that with her own disappearance from the scene there would be no firm hand to steer the ancient ship of State through the shallows of change and the

rocks of foreign aggression, so that, unless means could be found for the fusion of Manchus and Chinese, the near future must surely witness the expulsion of the tribute-fed clans, and with it, in all probability, cataclysmic disasters to the Chinese Empire.

Tzŭ Hsi's success in governing the Empire, unsupported by any material or moral forces in the ruling caste, was largely due, in the earlier part of her career, to the lack of all inter-communication and organisation among her Chinese subjects. Prior to the introduction of modern education, and the vernacular Press, whereby was created Young China, there was no general recognition of the utter helplessness of the Manchu hierarchy nor of the trend of foreign politics. But after the Boxer rising and still more after the Russo-Japanese war, political consciousness became rapidly awakened amongst the educated and articulate classes, and stimulated to revolutionary tendencies by an ever-increasing number of Western-learning malcontents. The weakest of all the weak points in the Manchu rule of recent years lay in their utter ignorance and indifference to matters of foreign policy, and their neglect of the most ordinary precautions for the maintenance of their threatened sovereignty, especially in Manchuria. Their political activities abroad were practically confined to the sending of missions to Europe and America, missions with high-sounding titles and large suites, which were simply expensive (and quite useless) pleasure trips for those concerned. And while official ignorance slumbered in the Manchus' high places, Chinese official corruption played its part in exposing the territories of the Empire to encroachment by earth-hungry Powers, corruption of which the Manchu régime was ever the beneficiary, and the late Chief Eunuch, Li Lien-ying, pastmaster in ordinary. When Li Hung-chang gave Russia a right of way for the invasion and conquest of Manchuria by railway and bank, he sinned with impunity, because of the complicity of some and the

apathy of others in the Forbidden City, at a time when public opinion in the provinces had little or no means of expressing itself coherently. The subsequent seizure of Kiao-chao, the Boxer rising, Russia's repeated refusal to evacuate the Three Provinces, her war with Japan, and the latter's gradual occupation of the position which Russia had held, all these were the inevitable results of the apathetic stupidity and corruption of the Mandarin system, against which, in her later years, Tzŭ Hsi herself fought in vain. And just as Russia's purposes were served by the venality of Li Hung-chang, so Japan found an instrument ready to her hand in the sleek person of Na T'ung, who, after being a prominent leader of the Boxers, became the head of the Foreign Office in Peking.

THE MONARCHICAL PRINCIPLE.

There can be no doubt that the Reform movement of 1898, led by K'ang Yu-wei and supported against the reactionary clansmen by the Emperor Kuang Hsü, represented a definite and perfectly justifiable intention on the part of the intellectual caste of Young China to put an end, by constitutional means, to the vicious and humiliating *régime* of the Manchu administration, with its eunuchs and corrupt practices, its tribute and pension lists, and its arrogant assumption of an authority which could no longer be enforced. Men like K'ang Yu-wei, Liang Ch'i-ch'ao and Tan Tsz-tong, Confucian scholars and sincere patriots all, according to their lights, were anti-dynastic in so far that they desired to put an end, by force if necessary, to the Manchus' privileges and to purge the Augean stables of the Forbidden City; but they had no quarrel with the monarchical principle or any other tenet of the Confucian philosophy. Tzŭ Hsi, deeply wounded in her pride and lust of power, suppressed the movement, and executed several of its leaders: but she lived to realise her error and

eventually to adopt most of their programme of constitutional reform. It would have been well, indeed, for China, if the principles and process of reform advocated then, and at the present day, by Liang Ch'i-ch'ao and men of his type, could have served as the inspiration of the final upheaval, instead of the Republican chaos which has resulted from the accidental ascendancy of a handful of American-taught Cantonese: many lives would have been saved and many years of unrest.

In the end these principles must assuredly prevail, for they represent the unchanging instincts and traditions of the Chinese masses; but the eventual restoration of the Dragon Throne and the finding of a Son of Heaven to fill it, must inflict more suffering upon the masses, for it means serious possibilities of secession by the South-Eastern provinces and civil war.

When Sun Yat-sen and Wu Ting-fang attribute to the Manchus a "policy of unequivocal seclusion and unyielding tyranny," they are addressing themselves, quite consciously and for their own political purposes, to the European and American gallery. Wu Ting-fang, in particular, who amassed a respectable fortune under the Manchu *régime*, and learned something of political finance as Chinese Minister in Washington, is perfectly well aware that this policy of seclusion did not originate with the Manchus, any more than "the creation of privileges and monopolies." He knows that, from the first establishment of their dynasty, the Manchus adapted themselves to the institutions which they found in China, and that their greatest Emperors were sincere and worthy exponents of the Confucian philosophy and art of government. He knows, as every Chinese scholar knows, that if they had not adopted and vigorously enforced the normal Chinese principles and methods of administration, their Imperial authority would speedily have been challenged and overthrown—for they established their dynasty as the result of a Chinese rebellion.

Similarly, when the present chiefs of the Republican Government pay homage to the memory of the Ming dynasty, they stand convicted of palpable inconsistency and insincerity. The watchword of the Triad Society at the time of the Taiping rebellion was "Destroy the Manchus, restore the Mings"; oblivious of the fact that it was a Chinese rebel who put an end to the Ming dynasty. Therefore when Young China prostrates itself before the tablet of Hung Wu and invokes the protection of his august shade in the name of a Republic, it displays either lamentable ignorance or complete disregard of the fundamental traditions and sentiments of the Chinese race. The expulsion of the Manchus, aliens, who had clearly "exhausted the mandate of Heaven," coincides with the general wish of the people; but upon what ground, other than self-seeking ambition, can the leaders of the Republic justify themselves and their newly-made state, whilst making obeisance at the Tombs of the Mings? That dynasty stands not without heirs, for a direct descendant of its founder, a man of good intelligence and repute, is ready and willing to ascend the Dragon Throne.

In one of the earlier Republican manifestoes issued from Shanghai over the signatures of Wu Ting-fang and Wen Tsung-yao (grateful recipients both of the Imperial favour in bygone days), the Manchu dynasty is accused of having, "by its benighted conceptions and barbaric leanings, brought China to a position of degradation." Both these officials are well aware, from personal knowledge and experience, that whereas it was the unfortunate Manchu Emperor Kuang Hsü who led the way towards administrative reform and Constitutional Government, the chief obstacles on that hard road have been created by the unpatriotic individualism and corruption of high Chinese officials. They know full well that mandarins of the stamp of Li Hung-chang and Sheng Hsuan-huai (not to come nearer home) are as much responsible for China's humiliations

PRINCE TSAI-T'AO
(BROTHER OF THE LATE EMPEROR KUANG HSÜ.)

as any consensus of Manchu opinion or exercise of Manchu prerogative.

FINAL CAUSES OF THE MANCHU COLLAPSE.

Dispassionately considered, the ignominious and spiritless collapse of the Manchu dynasty must be attributed, in the first instance, to its failure to produce, after the death of Tzŭ Hsi, a ruler fitted, by temperament and training, to grasp the rapidly changing political situation and to face it with the unhesitating firmness which alone appeals to Oriental minds. The lack of loyal and influential Chinese Viceroys, most conspicuous since the death of Liu K'un-Yi and Chang Chih-tung, was undoubtedly a contributive cause of unrest and disaffection in the central provinces. Other factors in the situation which eventually brought about the last humiliating *débâcle*, lay in the vacillating weakness of the Regent and in his misguided persistence in appointing Manchus to lucrative posts—notably his own brothers. By this short-sighted policy he incurred the hostility of many powerful Chinese who might otherwise have been loyal to the Throne. The continuance of Tartar garrisons in the provinces and of tribute levies on behalf of the Peking Bannermen was, under the circumstances, another error of policy—a blunder which Tzŭ Hsi, after her experiences of 1900, would not have perpetrated. Moreover, the sale of ranks and titles, frequently abolished by Imperial edicts and as frequently re-instituted, led to increased official exactions by those who had bought their posts, and to widespread disloyalty amongst the *literati* who failed therefore to attain them by force of merit. Finally, the steady loss of prestige incurred by the Manchus through their failure to prevent, and even to resist, the aggressions of foreign Powers, probably contributed, more than any other factor, to the audacity of the revolutionaries and the moral collapse of the dynastic clan. In former days, before the

telegraph and the Press had rendered possible a certain community of knowledge and aims between the widely separated political and intellectual centres, loss of Imperial "face" or territory had no immediate effect upon the provinces. Even in 1900, during the sack of Peking and the flight of the Court, the word of two Viceroys kept the lid on the "seething cauldron" of the Yangtsze. Since then, by the circulation of newspapers, the building of railways, and the far-reaching development of the postal service, all that Peking does is soon known and criticised in the provincial capitals; and the prestige of the Manchus steadily declined in the eyes of Young China, as the certainty established itself in the minds of that politically conscious class, that the Government had no longer the physical or moral energies sufficient to check the encroachment of the foreigner.

Meadows,[1] in an unusually lucid analysis of the causes of China's political longevity, declared that it was due to the steady observance, by successive dynasties, of three fundamental doctrines and to the maintenance of one immutable institution. These doctrines he defined as follows:—

I. That the nation must be governed by moral agency in preference to physical force.

II. That the services of the wisest and ablest men in the nation are indispensable to its good government.

III. That the people have the right to depose a sovereign, who, either from active wickedness or vicious indolence, gives cause to oppressive and tyrannical rule.

The permanent institution, by means of which a living practical belief in these doctrines is maintained in the mind of the nation, is the system of competitive examination for the public service.

[1] *The Chinese and their Rebellions*, p. 401.

VALUE OF THE SYSTEM OF PUBLIC SERVICE EXAMINATIONS AS A SOURCE OF NATIONAL COHESION

There is undoubtedly much truth in this explanation of the permanent stability of the Chinese civilisation and system of government, although it is evident that, during the long centuries in which the masses of the people had no means of intercommunication and little knowledge of events beyond their own districts, a national consensus of opinion on the subject of tyranny could never be a plant of easy and rapid growth. The economic factor, as a chronic cause of violent upheavals independent of the virtue of the ruler, is also overlooked in this analysis. But the value of the competitive examination system as an enduring source of national cohesion and stability can scarcely be exaggerated. Bearing this fact in mind, the suddenness with which the ancient classical examinations were abolished in 1904, and the failure to replace them by something equally satisfying to the soul of the people, must be a cause productive of disquiet in the present and widespreading unrest for some years to come, a cause which, in the turmoil of Treaty-port politics, has not received the attention it deserves. As Meadows rightly observes:

"In every case the institution of Public Service Examinations (which have long been strictly competitive) is *the* cause of the continued duration of the Chinese nation: it is that which preserves the other causes and gives efficacy to their operation. By it, all parents throughout the country, who can compass the means, are induced to impart to their sons an intimate knowledge of the literature which contains the three doctrines above cited, together with many others conducive to a high mental cultivation. By it, all the ability of the country is enlisted on the side of that Government which takes care to preserve it in purity. By it, with its impartiality, the poorest man in the country is constrained to say that if his lot in life is a low one, it is so in virtue of the 'will of Heaven,' and that no unjust barriers created by his

fellow men prevent him from elevating himself. In consequence of its neglect or corruption, if prolonged, the able men of the country are spurred by their natural and honourable ambition to the overthrow of the, in their eyes and in the eyes of the nation, guilty rulers; a new dynasty is then established, which consolidates its powers by restoring the institution in integrity and purity. . . . Then follows one of those periods, which are marked in Chinese history by the reign of justice, peace, content, cheerful industry, and general prosperity; and a glorious succession of which has made the Chinese people not only the oldest but so vastly the largest of all the nations."

Judged by the test of this analysis, and bearing in mind the concurrent importance of the economic factor, the Taiping rebellion, directed against a dynasty which, in three successive emperors, had proved itself degenerate and "viciously indolent," was justified by all the traditions of Chinese history, and by the pitiable condition of large portions of the Empire. Looking back on the history of the dynasty since 1860, it may safely be said that it would have been better for China had that revolution been allowed to run its successful course without interference by foreigners on behalf of the Manchu dynasty; for the result of that interference, as events have proved, was to prolong the existence of an administration inherently decadent and at the same time to sow seeds of perennial discord between the North and South. The prestige and authority of the dynasty had been shaken beyond all power of permanent recovery. The statecraft of the Empress Dowager merely held the tottering fabric together for a while, but the writing was plain upon the wall, which predicted the Manchus' early disappearance from the scene. Sooner or later, a storm had to relieve the atmospheric pressure, and incidentally diminish the congestion of the population.

The Manchus have joined the great company of kings in exile, and the Chinese people are left once again to work out their political salvation. The difficulties which confront

them are intensified by the fact that no longer, as in the periodical anti-dynastic rebellions of the past, can they hope to re-establish the normal order by the light of their own devices and instinctive traditions. The world is too much with them: for good or evil, China can no longer be a law unto herself. She has given hostages to fortune, in the shape of European loans; now and henceforth her crises and her civil wars are become matters of concern to the world-family of nations, her disorganisation and unrest a source of danger beyond her borders.

The Manchu has passed from the scene, admitting his own futility, asking valedictory alms on his pitiful departure from the Forbidden City. In demanding the abdication of the dynasty, Young China has rightly conformed to the traditions of Chinese history and fulfilled a purpose, clearly confirmed by the rudimentary political instincts of the masses as inevitable and just. So far, therefore, the Revolution is justified, and the sympathy extended to its leaders by the great majority of foreigners in China is legitimate. But here justification stops: for judging by their actions and utterances, the Cantonese Party, which at present controls the situation, has expelled the Manchu, not to restore that immemorial order which has preserved the race through countless generations, but to set up a new House Celestial, in which the masses of the people must find themselves utter strangers. Herein lies a natural danger greater even than the decadence of the Manchus, the peril of abrupt and cataclysmal change.

CHAPTER IV

YOUNG CHINA

Le Roi est mort—vive le Roi! The Manchu passes from the scene, surrendering his place to Young China. The grave and reverend signiors of the classical Mandarinate, almost venerable, in spite of their ignorance and corruption, because of the traditions they represent, have disappeared, and their places are filled by the frock-coated students and journalists of the new dispensation. The oft-threatened equilibrium of Confucian state-craft, repeatedly shaken by the assaults and crafts of the outer barbarian's vigorous materialism, has apparently collapsed. The Sages' ancient framework of political philosophy, by corrupt usage sunk to the level of a word-spinning and money-grubbing machine, needs to be passed once more through fires of purification. The system of the "Superior Man," fallen upon evil days, goes down, for the time being, before an alien civilisation, whose apostles are Young China.

Young China, as we know it to-day, may be said to have been born in 1895, after the complete defeat of the Celestial Empire by the "pigmy warriors" of Japan. Its first appearance on the scene, as a force to be seriously reckoned with, dates from the conclusion of the Shimonoseki Treaty, which ended the war under conditions deeply humiliating to every sensitive and patriotic Chinese subject. As an immediate result of this fresh proof of the Manchus' military

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and administrative inefficiency, certain semi-Europeanised progressives of Canton, led by Dr. Sun Yat-sen, showed unmistakable signs of unrest. The first result was an attempt to raise the standard of rebellion by capturing the city and declaring the independence of Kuangtung ; but the *coup* was badly planned and clumsily executed, and upon its failure Sun Yat-sen was compelled to flee the country. His fellow provincial, K'ang Yu-wei, a classical scholar and constitutional reformer, pursued the same ends, but by other means. He hated the Manchu dynasty, and particularly the Empress Dowager, as cordially as he despised the foreigner, but he saw in the liberal tendencies of the Emperor Kuang Hsü a hope of achieving his purposes by constitutionally progressive measures. The unfortunate Emperor's reform movement and the Empress Dowager's *coup d'état* of September, 1898, are matters of recorded history,[1] but it is well to emphasise the fact that "Young China" took its first inspiration and its first clear hope from the head of the Manchu dynasty, which Sun Yat-sen and his friends now so fiercely proclaim to have been utterly detestable and vile. There is no doubt that the Emperor Kuang Hsü felt, as keenly as any of his Cantonese subjects, the humiliation of China's defeats, and that, in adopting the programme of the Southern Progressives, he sincerely hoped to be able to imitate Japan's successful reforms. Upon the advice of the Imperial tutor, Weng T'ung-ho, he first received K'ang Yu-wei in audience, in June, 1898. Carried away by the headlong fervour of this patriotic reformer, he attempted many things from which an older and wiser head would doubtless have refrained. He has been blamed by European diplomacy (after the event) and by the Chinese themselves, for lack of worldly wisdom in his words and deeds of those Hundred Days. Doubtless the Son of Heaven was neither very wise nor very prudent—they

[1] Vide *China under the Empress Dowager*, Chapters XII. to XIV.

taught him no wisdom in that gilded prison—but at least it must now be confessed by his critics that the wildest of his dreams, the least deliberate of his reforms, was a monument of careful state-craft as compared with the declaration and constitution of the present Chinese Republic.

THE POLITICAL ORIGINS OF YOUNG CHINA.

It was this melancholy puppet-Emperor who first saw and decreed the necessity for "investigating every branch of Western learning appropriate to existing needs" (Edict of the 9th of June, 1898); it was he who directed members of his Imperial clan to seek education abroad; who denounced sinecures and squeezes, and endeavoured to cleanse the Augean stables of his Empire, not only of Manchu lethargy but of Chinese corruption. The impetus given to "Western learning" by the Edicts of September, 1898, was temporarily checked by the Empress Dowager's reactionary policy of the following year; but a first detachment of students had been sent to Japan by the Chinese Government in 1895, and throughout the country it was felt that the ancient classical system of examination for the public service could not last much longer. That system was finally abolished by an Edict of the chastened Empress Dowager, acting upon the advice of Yuan Shih-k'ai and Chang Chih-tung, in 1904; but in the meanwhile Yuan had demonstrated, more forcibly than any Imperial Edict could do, the new and practical value of Western learning as a road to high office. This he did by appointing several American-educated Cantonese to influential and lucrative posts in his Viceroyalty of Chihli. Some of these men had been selected as students by Yung Wing's educational mission to the United States in 1875, men who had returned to China with high hopes of winning distinction in the service of the country, and who had been promptly relegated to impecunious obscurity by the classical mandarins, jealous

for their craft. But after the Japanese war, even the most hide-bound officials of the old *régime* began to realise that some knowledge of Western methods, if not of Western ideals, was rapidly becoming indispensable in the public service. Bureaus of Foreign Affairs sprang up on all sides as offshoots to Viceregal Yamêns, and every foreign-educated Chinese, even the "house-boy" who had studied the first primer in a mission school, suddenly found his services in request. And here again we may see, in the position of affairs to-day, how the whirligig of Time brings in his revenges; for Yuan Shih-k'ai, who first fluttered the official Tientsin dovecotes with his American-educated Cantonese, has lived to see his nominations to a Republican Cabinet vetoed by a handful of student-politicians. How greatly Yuan Shih-k'ai stimulated the Western-learning movement by virtue of his influence with the Old Buddha after the *coup d'état*, and by his protection of his Cantonese lieutenants, may be inferred from the positions to which have risen some of the ex-students of Yung Wing's much-ridiculed mission. Amongst them (Cantonese all) are T'ang Shao-yi, lately Premier of the Republic; Liang T'un-yen, ex-President of the Wai-wu-pu; Sir Ch'en-tung Liang, K.C.M.G., Minister in Berlin; Liu Yuk-lin, Minister in London; Jeme Tien-yew, Director of Railways; and Tong Kai-son, lately representative of China at the Hague Opium Conference, a body of men who, in the matter of administrative ability, undoubtedly justified the great Viceroy's progressive liberalism.

THE "NEW LEARNING."

In 1904, the old system of classical examinations was abolished, and in 1906 was held the first examination of Western-learning students by the new Board of Education at Peking. Of fifty-three candidates who presented themselves, twenty-three had studied in Japan, sixteen in the

United States, two in England, and one in Germany.[1] Eleven out of the first twelve places were won by students from America; all their papers were written in English, and nine of the successful graduates were professed Christians. Contrary to the candidates' general expectations, however, the passing of the examination did not lead directly, or even necessarily, to official employment. The fact is important, for it has a direct bearing upon the subsequent political activities of Young China. The examination was something in the nature of a tentative concession to T'ang Shao-yi and his friends, and an official recognition of the moral effect of Japan's victory over Russia. Although conducted in a somewhat perfunctory manner, and productive of no immediate employment for most of the successful candidates, its effect was to convince the *literati*, and amongst them orthodox reformers of the school of K'ang Yu-wei and Liang Ch'i-ch'ao, that the ancient system of classical education had ceased to be the main road to an official career. The Emperor's intention, as proclaimed in 1898, had been to retain "the canons of the Sages" as the basis of education, but a *Chinshih* degree conferred upon a Christian candidate who wrote his essays in English, pointed clearly to an abrupt parting of the ways, and to many possibilities of future strife.

In the preceding chapter, stress was laid upon the value of the competitive examination system as an enduring source of national cohesion and stability. The sudden abolition of the ancient and orthodox system was bound, under any circumstances, to create widespread distress and unrest, but the failure of the Chinese Government to replace it by something definite and practical, on the lines originally proposed by H. M. Kuang Hsü, resulted in creating two distinct

[1] In July, 1910, there were fifty foreign-educated Chinese in official posts at Peking, not counting ex-students from Japan; of these twenty-seven had been educated in America, fourteen in England, four in France, three in Germany and two in Belgium.

classes of malcontents, and a general disorganisation of the public service. After 1906, a few of the successful candidates at the annual examinations were retained at Peking for employment in the Government Ministries, whilst others were appointed as teachers in the provincial Government Colleges or as technical advisers in official enterprises; but for the majority no posts were available, and no machinery was evolved for creating them. Here we have clearly a root-cause of Young China's discontent, and an explanation of last summer's carpet-bag invasion of Peking by swarms of office-seekers in frock-coats and top hats.

When Tzŭ Hsi, converted to the country's need of new methods of education, decreed in 1904 that graduation at one of the modern Colleges should be the only recognised path to official employment, she looked forward to long years of power, and saw no reason to anticipate any serious difficulty in maintaining the old *régime*, side by side with the new, on the time-honoured foundations of nepotism and promotion *douceurs*. At the same time, she had already had cause to perceive results dangerous to the State in the education of large batches of students in Japan, the first consignment to that country having returned with unmistakably revolutionary tendencies. She therefore gave orders that, in future, arrangements should be made for sending more scholars to Europe and America.

EDUCATION ACQUIRED IN JAPAN.

As Young China invariably bases its claims to ascendancy, and its demand for the root-and-branch abolition of the manners and methods of the old *régime*, on the superiority of its education, it follows that the quality of the mental and moral pabulum which it assimilates, either under Government direction or of its own initiative, must be a matter of vital importance to the future peace and good order of the Chinese people, and deserving of the closest attention. As

regards the education hitherto provided in Japan, all observers have agreed in the conclusion that its general results have been from every point of view unsatisfactory. Writing on this subject in the *World's Chinese Students' Journal*, Mr. Ling Chi Hong, a Chinese resident in Tokyo, observes :—

"The ease with which a few of the Japanese-returned students obtained their literary degrees and high Government appointments caused a great increase of Chinese students pursuing their studies in Japan, so that within a few years the number reached as high as thirteen thousand. Though few were bent on real education, the majority went to the country merely for the name of being a returned-student, and for the prospect that was held out to them of becoming officials. Consequently there was a mad 'speculative' rush for Japanese education, but few stayed longer than from three to six months.

"There were not a few covetous Japanese who took advantage of this educational speculation, and schools of all sorts and descriptions, from the so-called normal to the collegiate institutions, were started by hundreds of these enterprising people to cater to the wants of our Chinese youths. The prices of food and other commodities, which have been low for centuries, suddenly rose to high figures in Tokyo, in consequence of the lavish and extravagant habits of our Chinese students, many of whom were connected with rich and influential families. Tuitions and diplomas also had their premiums and exorbitant prices were demanded from the Chinese students both as matriculation and graduation fees.

"The value or worthlessness of such an education is apparent to right-minded men. In order to get a real education in Japan two years must at least be devoted to the study of the language and five years would be the minimum time before one can get a fair education.

"The farce of Japanese education soon came to the knowledge of the Imperial Government, and in 1906 the Board of Education of Tokyo was instructed by our Government to enforce strict regulations for the control of

Chinese students. As soon as the above-mentioned order was reported in the newspapers, the Chinese students held a meeting at the hall of the Chinese Students' Alliance of Tokyo. The members held divided opinions, some proposing to return and others to remain. As a result, more than one half left Japan."

Professor Reinsch, always an optimistic and sympathetic observer of Chinese Republicanism, says:—

"Much criticism has been aroused by the behaviour of the Japanese students after their return to China. Many of these young men have attempted to cast off all restraint, moral, social and political. The sudden transference of a young Chinaman, brought up in a life of strict regularity, to an atmosphere of entire freedom, is accompanied with danger to his character. To judge from all the accounts of student life in Tokyo, the freedom enjoyed by the Japanese students was turned into license and licentiousness by many of the young men from China. So, instead of becoming a source of strength, of character building, instead of imparting to the students the *moral* needed by men starting upon careers of constructive work and struggle, Tokyo proved an enervating Capua to many of them, stealing away their spirit and leaving them uncertain of purpose and helmless. . . .

"Moreover, while the regularly established Japanese institutions of learning performed a great service to Chinese students, many of the latter unfortunately fell into the hands of educational adventurers, who made a business of rapidly furnishing a makeshift education (the *soku sei* method) and sent their victims back to China with graduation certificates and with a feeling of great personal consequence, but without any vestige of serious training." [1]

The stampede for education in Japan, which began on a large scale in 1895, did not necessarily imply any definite recognition of superiority in Western learning by the parents and guardians concerned, or even by the scholars themselves.

[1] *Intellectual and Political Currents in the Far East*, p. 217.

Its cause lay in economic pressure, in the struggle for office, the same cause which for centuries has produced ten students to compete for one post through the provincial and metropolitan examinations.

The new schools and colleges required many teachers, and a man might learn enough to teach, by the Japanese method, in six months. Any youth possessing the barest rudiments of English or arithmetic could command in many provinces a salary higher than that of a venerable Confucian scholar. Moreover, there was money to be made by school teachers in requisitions for all the new-fangled apparatus indispensable to the new learning, requisitions from which the local officials of the Education Board derived their share of "squeeze." But while acquiring a smattering of the things required to earn a livelihood under the new dispensation, the average student, particularly in Japan, retained his traditional belief in the superiority of Chinese culture and Chinese intelligence, in his heart despising the barbarian whose mechanical arts he was driven to acquire. By the aid of a phenomenally retentive memory, transmitted through centuries of training in the Confucian classics, he was able to learn by rote text-books of which he understood little or nothing, and in his turn to impart their formulæ to the rising generation. When politically inclined, his studies frequently took the form of a course in elemental explosives and in the art of revolutionary pamphleteering. Small wonder that, as the first batches of students from Tokyo returned to claim the reward of their labours, the enthusiasm of parents and provincial authorities for the new education visibly waned. The get-wise-quick boom speedily burst, but not before some fifteen thousand "expectants" had returned, to assert their noisy claims and to sow new seeds of unrest in every province. And the earnest, patriotic, well-educated student suffered by implication in the eyes of the conservative *literati* and gentry.

A Form of Execution.

Rebel Head-Knifeman.

At the beginning of 1909, when the Manchus' prestige began its last swift decline after the death of the Empress Dowager, and when the turbulent south took umbrage at the fall of Yuan Shih-k'ai and the scattering of his Cantonese lieutenants in Chihli, the returned-student problem assumed serious dimensions. In July of that year, the editor of the *World's Chinese Students' Journal*, evidently qualified to speak with authority on this subject, observed that

"the root of the trouble lay in the unreasonable attitude of the official classes, who, though they are obliged to employ a certain number of men with foreign training, still keep them at arm's length whenever any important matter requiring special diplomatic or technical skill is to be settled. The result of this continual want of confidence on the part of the higher authorities has driven away the keenest men, while the lukewarm ones hang on and hope for better times, meanwhile forgetting the work for which they have trained themselves, and the light-hearted ones adopt the methods of the conservative classes by running for one post after another, so as to enrich themselves at the expense of the country."

Four months earlier, the same writer had declared that the excessive supply of foreign-educated men, out of all proportion to the demand, and the gradual raising of the standard of living, consequent upon the spread of higher education, could only be regarded as an economic menace. He pointed out that, although many self-supporting students went abroad of their own initiative, and from disinterested motives of self-improvement, the majority of those who went at the Government's expense naturally expected that some kind of official position would be provided for them, an expectation which the Government had failed to satisfy. To remedy this steadily-increasing grievance, it was suggested that the Government should reorganise all the provincial institutions with a view to providing suitable employment for returned students, such employment to begin in the larger cities and to be gradually extended to district towns and villages. In

March, 1912, it was estimated that 66 out of the 207 Chinese students in America were Government students; at the same date there were 120 officially-supported scholars in England, and others in Germany, France and Belgium. Of the American total, 116 students were men selected by competitive examinations, whose expenses are defrayed out of the "refunded" Boxer indemnity moneys. The Government-student problem was evidently becoming acute.

THE RESULTS OF HIGHER EDUCATION IN INDIA.

I dwell upon the various aspects of this phase of the educational question because it not only affords a most significant manifestation of economic pressure working along new lines, but because Young China's prospects of continued prestige and authority depend absolutely upon the quality of the students themselves, and of the education supplied to them. The whole problem of education in China, as in India, is fraught with difficulties and dangers that can hardly be exaggerated. In India, as Sir Valentine Chirol's convincing work [1] has shown, "the fundamental weakness of our Indian educational system is that the average Indian student cannot bring his education into any direct relation with the world in which, outside the class or lecture room, he continues to live." It is clear that if in India, with organised tuition encouraged by a paternal and permanent Government, the average student is "unable to form even a remote conception of the customs and traditions, let alone the ideals, embodied in Western knowledge," the attempt in China, under existing conditions, must lead to a parlous state of social and mental confusion.

But it is in the tendency to political demoralisation and unrest that are revealed the most ominous results of this pouring of new wine into old vessels. What Sir Valentine

[1] *Indian Unrest.* Macmillan, 1911. Chapters XVII. and XVIII.

Chirol says of the moral disease resulting from higher education in India, applies to China with a force greatly increased by the lack of centralised and effective authority.

"There has been," he says, "no more deplorable feature in the present political agitation than the active part taken in it by Indian schoolboys and students." Dr. Ashutosh Moukerjee, Vice-Chancellor of the Calcutta University, publicly declared his conviction three years ago, that strenuous efforts must be made "to protect our youths from the hands of irresponsible people, who recklessly seek to seduce our students from the path of academic life, and to plant in their immature minds the poisonous seeds of hatred against constituted Government." The fact that all the political murders of recent years in India have been committed by youths of the student class, is significant of dangers, actual and potential, which exist in a greatly aggravated form in China. For the growth of unrest of this kind, and the hold which political agitation obtains upon the raw material of the schools and universities, depends largely upon the extent to which economic distress breeds discontent in the classes from which the students are drawn. The authority of the Government in India, the loyal co-operation for good of many influential and highly cultured Indians, and the disciplinary measures adopted since 1906, have served in some measure to stem the tide of disaffection and indiscipline ; and when it is borne in mind that over three-quarters of a million Indian students are receiving higher education, that the cost of living has rapidly risen, while the population, protected by scientific sanitation and humanitarian foresight, has steadily increased to the level of that of China, the wonder is that the political results of such economic conditions have not been infinitely worse. The manifestations of Indian students' unrest compared with that of China, is as the murmur of a closed hive of bees compared with a wasps' nest in the open. In both countries each year's educational work is turning out swarms of needy clerks, for

whom no employment can possibly be found and who, in many cases are completely unfitted by that very education for any useful occupation. It may be said that, under the ancient Chinese system of classical essay examinations, similar results were attained, and a supply of *literati* produced greatly in excess of the country's needs. This is true; but the radical difference between that system and "Western learning" is visible in their respective products; in the fact that, whereas patience and perseverance were essential virtues of the Confucian tradition for scholars, who studied and struggled, if necessary into old age, the new dispensation claims immediate preferment. The old, when unsuccessful, suffered in silence, eking out a penurious livelihood by teaching the classics or writing Yamên records; the new has brought with it the platform and the Press, and proclaims its knowledge and its needs in every market place.

INFLUENCE OF THE STUDENTS.

More important still is the fact that many of the Chinese students who have acquired their education and political ideas in Tokyo have adopted the military profession, and that since the revolution, a number of half-educated youths hold army rank, to which neither their age nor their achievements entitle them. The close relations existing between the undisciplined boy-politicians and adventurers of young China's civil element, and the semi-independent commanders of several provincial forces, constitute one of the most ominous factors of the existing situation.

The serious dangers to which China stands exposed by the ascendancy of the student class are undeniable; but bearing in mind the deep-rooted economic causes of the nation's present unrest, remembering the inherent vitality and recuperative strength of its Confucian philosophy and social organisation, I cannot bring myself to share the belief

very generally held by missionaries and other observers, that Western science and Western ideals are destined irretrievably to undermine the foundations of this ancient edifice Celestial, and to change the immemorial instincts and impulses of the people. I believe that, as it has been with Japan, so it will be, after many days, with China. The impact of the West will leave its mark, no doubt, upon the surface of Chinese life, but the silent depths, where broods the soul of this people, will remain untouched by all our material triumphs, by our missionary activities, ay, even if needs be by the domination of alien rulers. It is profoundly true, and has been well said, of the Chinese people, that they require to be governed by moral, and not by physical, suasion. Against all forms of tyranny they oppose a force of passive resistance, which, in the end, conquers the oppressor. "When the fierce wind blows," says one of their proverbs, "the tree breaks, but the grass bends."

But, for the present, Young China's rule is likely to prove more tyrannous, and more distasteful to the masses, than the rule of the despised Manchus, for the reason that, while it cannot confer the blessings of law and order, it professes no respect for the fundamental truths and beliefs that constitute the inner life, the very soul of the people; for ancestor worship, for the "Three Relations," and for the basic philosophy of the "Book of Changes." Young China has no new moral ideas, no better way, to offer in substitution for the canons of the Sages. Christianity, as presented by our "two and seventy jarring sects," has hitherto failed, and shows no sign of succeeding, in satisfying the ethical ideals and traditional culture of a race in whom respect for the past and reverence for the patriarchal philosophy of its ancestors have attained the force of instinct.[1] Young China, therefore, in its present form will pass, leaving its flotsam of wreckage on the foam-

[1] *Vide* Lin Shao-yang (C. F. Johnston's) *A Chinese Appeal to Christendom concerning Christian Missions.* (Watts, London, 1911.)

flecked sea of Chinese life. It will pass—one more in the series of paroxysms which periodically mark an organic unrest due to economic pressure. Its action, the result of new forces brought to bear upon the weather-beaten but enduring structure of China's racial civilisation, will be followed in due course by reaction, direct or indirect. But, as Spencer observes, "it is impossible that the effect wrought on any general direction by some additional force can be truly computed from observations extending over but a few years, or but a few generations." The factors that count, in determining the sociological future of a race, are not the transient phenomena of a sudden revolution, but the permanent characteristics which, extending over long periods, constitute the fundamental spirit of its civilisation.

THE PRESENT REVOLUTION COMPARED WITH THE TAIPING REBELLION

Studying the history of China at the time of the Taiping Rebellion, we perceive that several proximate causes and surface features of that great upheaval are identical with those which have been manifested in the recent revolution and the expulsion of the Manchus. The Taiping Rebellion was essentially due, as we have seen, to an aggravated pressure of population; and its net result was to reduce that pressure by immense slaughter. Its political, anti-dynastic character originated, as usual, with the politically-conscious and ever-restless inhabitants of the Kuang provinces. The effects of the first impact of the West, in trade and missionary effort, were clearly reflected in the professed Christianity of the rebel leaders and in their successful appeals to the sympathy of the Anglo-Saxon communities of the Treaty Ports. Had it not been for the assistance rendered to the Imperial cause by the British Government, in the loan of General Gordon's services, the Manchu rule would assuredly have come to its end with the

death of Hsien Feng, and a new dynasty would probably have been founded by the fittest survivor of the eight rebel Princes. This was a consummation devoutly desired by the average foreigner in China in the 'fifties, just as the recent revolution was supported by the Press and mercantile community of Shanghai at its outbreak in November, 1911. The Taipings, from the outset, had the instinctive political sagacity to head off foreign intervention by the display of cordial feelings of friendship and respect for Europeans, a precedent which Young China has faithfully followed. Meadows, himself a careful student of history, believed that the Taipings' professed Christianity, despite its elements of gross fanaticism, implied a radical change in the attitude of the Chinese people towards the outer barbarian, even as, to-day, Father Murphy of the Jesuit Mission at Hankow believes that General Li Yuan-hung's cordial greetings to the Pope imply the Christian regeneration of Republican China. The Taipings, like Young China, appealed to the sympathy—not to say the cupidity—of foreigners, by promising "the peaceable extension of free intercourse and commercial privileges." Here again we have an instance of the delusion common to humanity which persists in believing that "societies arise by manufacture instead of arising as they do, by evolution."[1]

In the present revolution, the organisation and motive force originated with the Southern political malcontents and with the Western-learning students throughout the country, whose respective activities were manifested in the Cantonese anti-dynastic societies at home and abroad and in the work of the Treaty Port journalists and orators. In both classes there existed, and exists, a leaven of earnest, disinterested patriots, sincerely anxious for the political regeneration of the country, but generally lacking in the practical experience and tenacity of purpose requisite for effective leadership.

[1] Herbert Spencer, *Study of Sociology*, Chapter VI.

THE REPUBLIC AN ACCIDENTAL RESULT OF THE REVOLUTION.

The objects of the revolution, as generally understood and expressed by Young China prior to the outbreak of rebellion at Wuchang, certainly did not include the establishment of a Republic. At that time, the complete expulsion of the dynasty was not so much the declared programme of the majority, as the curtailment of the Manchus' privileges and power and the introduction of constitutional government under a closely-limited Monarchy. To judge by the utterances of the Republic's leaders to-day, it would appear—so short are the memories of men—as if all the courage and intelligence of China had consciously and consistently striven for Republican ideals since the beginning. Have not many good Conservative mandarins proclaimed it, and has not Yuan Shih-k'ai himself publicly declared [1] that "the establishment of the Republic has fulfilled his long-cherished desires"? Nevertheless, reference to the proceedings of the National and Provincial Assemblies and to the utterances of the most outspoken of the Southern journalists during the year immediately preceding the outbreak at Wuchang in October, 1911, shows that the idea of a Republic did not then present itself as practical politics to the most advanced opinion of China's Intelligents. The *World's Chinese Students' Journal*, in particular, which may be presumed accurately to reflect the opinions of Young China, was a thoroughly loyal supporter of constitutional Monarchy until the position of the Manchus became manifestly hopeless by reason of their own lack of initiative and resource.

The ignominious collapse of the Monarchy was directly due to the incompetence and cowardice of the Manchu Princes and to the tactlessness of the Regent, which had antagonised many of the ablest Chinese—men like T'ang

[1] Presidential Manifesto of the 24th of June, 1912.

Shao-yi—who had been faithful servants of the late Empress Dowager. But the success of the revolution, and even its outbreak, were, humanly speaking, accidental. Had Yuan received the financial support that he had every reason to expect, from the Powers which had persistently deplored his retirement and advised his recall, there can be but little doubt that the insurrection would have been suppressed as easily as similar outbreaks in the past.

THE ASCENDANCY OF THE SOUTHERN PROGRESSIVES.

Equally accidental was the sudden ascendancy and dramatic triumph of what may be described as the ultra-Radical, American-educated section of Young China, the small but fairly organised Southern party which, at the critical moment of disruption, put forward its Republican programme as the only means of saving the country from anarchy. This important phase of the revolution will be dealt with in a later chapter; sufficient for our present purposes to observe that many of the moderate reformers, men who had persistently advocated constitutional government, under a limited Monarchy, gradually dissociated themselves from the extreme revolutionaries as the boldness of their revolutionary programme increased with the demoralisation of the Manchus. Thus, the orthodox reformers of 1898 were supporters of the revolution up to the point at which, in November, Yuan Shih-k'ai's defence of the limited Monarchy became impossible. Many a Moderate went so far as to accept the proposal, agreed to by the Throne at the end of December, that the future form of government should be determined by a majority of voters at a National Convention. But when the Shanghai Revolutionary Committee, organised by hot-headed students and represented by mandarin opportunists, revealed its determination to insist, at all costs, on giving effect to their ideas of government by rampant democracy; when the temper and methods of the

Southern extremists were displayed in a cowardly attempt on Yuan's life (16th of January), and by other unmistakable evidences of indiscipline, the moderate constitutional reformers parted company with the Republicans.

THE CONSTITUTIONAL MODERATES.

It is certain that the men of the Reform movement of 1898, K'ang Yu-wei, Liang Ch'i-ch'ao and their numerous followers, are infinitely more representative of the political needs and aspirations of the Chinese people than the leaders of the hotspur Republicans; Yuan Shih-k'ai's nomination of Liang Ch'i-ch'ao to be Minister of Justice in his short-lived Cabinet under the Monarchy, indicated his perception of this fact and of the orthodox reformers' just claims to recognition. Since the establishment of the Republic, and particularly since the T'ung Meng-hui of Sun Yat-sen's fantastic dreams became a power in the land, the Moderates' ranks have been steadily swelled by those who realise that, under a government of students and independent military commanders, life and property are far less safe than under the "hideous ceaseless pressure of Manchu tyranny." The man in the street is well aware that Yuan Shih-k'ai, as President, and his *protégé*, General Li Yuan-hung, as Vice-President, with many other dignitaries of the Republic, are Republicans not by conviction, but by prudent necessity. He knows that the opinions which Yuan expressed to *The Times* correspondent (hoping thereby to wean him from his Republican obsessions) at Peking, on the 20th November 1911, are already more than justified, and that "the internal wrangling leading to anarchy" must eventually endanger foreign interests, necessitating foreign intervention and the beginnings of partition. Therefore, the man in the street, with a lively sense of trouble to come, instinctively inclines to the Con-

servative party, and denounces the extreme Republicans (in the words applied to the Nanking delegates by Yuan's looting troops) as "imitation foreigners." Finally, he knows that, when once the tide of reaction has set strongly against Young China's methods of government, the spirit of conformity to public opinion, which is one of the most marked characteristics of the Chinese, will cause the ranks of the Republicans to dwindle and disappear at the first serious crisis. The Chinese student, like the soldier, is only collectively aggressive ; he needs the inspiration of popularity, a sense of movement *en masse*, with clamour and beating of drums. For these things, and for the applause of comrades, he will face martyrdom, leading forlorn hopes; but his *élan* of enthusiasm is brief, and it dies at the first chill breath of popular dissatisfaction. Individually, Young China is of a docile, almost a timid, type; collectively, it is a violent explosive. Therefore, as the average moderate man sees the first leaders of the Republican movement retiring discreetly to the safety of their homes in the Foreign Settlement at Shanghai; when the Premiership proves too heavy a burden for the ablest and bravest of the T'ung Meng-hui vanguard ; there is every reason to expect that Young China will soon have a revolution of its own and that K'ang Yu-wei's *Pao Huang Hui*, or League for the defence of the Monarchy, will recruit many new adherents. The orthodox Young China of Western learning and constitutional reform, which supported the Emperor Kuang Hsü in 1898, still stoutly maintains that Republicanism is entirely opposed to the commonsense and needs of the Chinese people. That this is the real opinion of Yuan Shih-k'ai we know ; scholars like Ku Hung-ming and Yen Fu express it in arguments which undoubtedly represent the instinctive feelings of the vast majority of the inarticulate masses.

No doubt but that, when the new flags flew and the guns were fired to celebrate the passing of the Manchu and the

dawn of a new era, there were many, even amongst the level-headed merchant class, and certainly amongst the peasantry, who expected great and good things from the proclaiming of the Republic. Was not America a Republic and therefore prosperous? Therefore, in Shanghai, Canton, Changsha, and many another city, where the word "Republic" meant no more to the people at large than the blessed word "Mesopotamia," men embraced each other publicly and wept for joy at the coming of Liberty, Equality and Fraternity. As it was in Turkey in July, 1908, so it was in China in February, 1912—men, weary of bad government, were fain to believe in this miracle, which was to abolish tyranny and corruption for ever; and so it came to pass that the queueless, frock-coated students of China were regarded as heralds and harbingers of the millennium, and welcomed with something approaching their own fervent enthusiasm. And they, on their side, made haste to proclaim ideals of Republicanism, highly attractive to a people whose knowledge of political economy is rudimentary. The merchant was to be delivered from lekin and the farmer from land tax; there would be less work and more pay for everyone; equal justice would be administered to all; a strong and united Republic would compel the respect of foreign nations, and exact reparation for encroachments upon Chinese territory. Small wonder that the terrified mandarins, gathering their impressions of the revolution from Young China's perfervid journalism, made haste to transfer their allegiance, so that city after city, and province after province, declared themselves Republican almost without knowing it.

It was not long before the practical Chinese people began to perceive that the Republic was not likely to bring them surcease of the evils that spring from bad government. They learned very soon, in the looting of cities by an undisciplined army and in the devastation of the country by robber bands, that—in the words of a native scholar—"the

Photo, Bottines, Peking.

THE NANKING DELEGATES WHO ARRIVED AT PEKING ON FEBRUARY 16TH, THREE DAYS BEFORE THE MUTINY, AND WERE LODGED AT THE NOBLE'S COLLEGE.

Yellow River may change its bed, but its waters are still muddy." The corruption displayed by the truculent youths in strange garments who now swaggered as civil and military authorities, was just as bad as that of the mandarins under the Empire; no man was safe from their levies, from corveés exacted in the name of the Republic, from lawlessness and looting of predatory mobs. Young China was speedily weighed in the balance and found wanting, even at its own headquarters of the Treaty Ports. From the outset its political and administrative efforts were lacking in continuity and common purpose; all its energies appeared to be concentrated upon futile academic discussions. The organisation of which Sun Yat-sen and his friends had boasted overseas, manifested itself in spasmodic crusades of queue-cutting and issues of paper money, in grandiloquent manifestoes proclaiming changes in the calendar and similar futilities; in the solemn academic debates of the Nanking Assembly ending in the adoption of national conscription, woman suffrage and other impossibilities; in endless ceremonies and pageants and processions that ministered to the vanity of politicians but did nothing to relieve the increasing burdens of the people.

There were, it is true, bright spots in the general welter of incompetence—evidences, here and there, of self-sacrifice, of subordination of private ends to the common weal and occasional instances of ideals, courage and consistency; but these were always local symptoms, and by no means characteristic of any phase of the national revolutionary movement. For instance, under the administration of Li Yuan-hung, an earnest and patriotic man according to his lights, the proceedings of Young China at Hankow were generally reasonable and restrained; at Shanghai, the notorious corruption of the Military Governor, Ch'en Chi-mei, was reflected in the general demoralisation of his subordinates, in blackmail, extortion and oppression far worse than any abuses permitted by the Manchus. Amongst the students

educated in England and America, there were many who cherished high ideals and an earnest desire for constructive reform; but those who declined to join the noisy procession of tub-thumpers and office-seekers soon found themselves relegated to inglorious obscurity, the baser expelling the superior currency. Above all, the essential virtue of personal integrity, the capacity to handle public funds with common honesty, has been conspicuously lacking in Young China. The leopard has not changed his spots; the sons and brothers of the classical mandarin remain, in spite of Western learning, mandarins by instinct and in practice. More than this, the opinion is widely held amongst European residents and traders that the section of Young China which has received its education in foreign mission schools displays no more honesty than the rest.

THE LACK OF COMMON HONESTY IN PUBLIC LIFE.

Amidst the confusion of conflicting opinions concerning the revolution and the prospects of peace and prosperity for China, one central fact stands out in clear relief, a fact vital in its importance, yet scarcely ever directly referred to by the self-elected leaders of Young China, and never discussed, as a definite issue to be squarely faced, by the Advisory Council or the Provincial Assemblies; namely the universal prevalence of "squeeze" in every department of the public service. In theory, it is fully recognised by the vernacular Press that, unless Young China sets an example of integrity in the administration of public affairs, it can make no valid claim to the confidence of the people; in practice, nepotism, bribery and extortion flourish under the Republic more immoderately, and with less regard for appearances, than under the Monarchy. Yuan Shih-k'ai's pathetic mandates against unlawful exactions and extortion were possibly a concession to the feelings of the Diplomatic Body, outraged by the official dacoitry of the Governor of the native city at Shanghai, but Chinese public opinion, as a whole, seems

incapable of realising that Young China can only justify itself, and the Revolution, by the display of common honesty in public life. Without this simple virtue, which in theory is always claimed by the exponents of Western learning, and in practice is ever lacking, it is clear that neither Constitution, National Conventions, Regulations, or Reform Bills can effect any sensible change in the rottenness of the State. A Young China journal, the *Republican Advocate* of Shanghai, writing in May last on the burning topic of foreign loans, naïvely voices the prevalent distrust in the following typical effusion :—

"For their hopeless corruption, the Manchus have received their just penalty, and the wreck of their once powerful and glorious dynasty should be a standing object lesson to those whom Heaven has chosen as its successors, lest by intentional or unintentional commissions of such a repetition, the Republic would also be doomed to a miserable failure. . . .

"The popularity and success of a Government depend upon the confidence which it is able to enjoy from the people ; but public confidence is not to be secured by mere form of name of a Government, but by the correct and honest method by which it carries its function. Already the public is greatly concerned in the negotiations of the tremendous amount of foreign loan between the Peking Government and the Foreign Powers, and is looking upon the transactions with deep suspicion ; and they are justified in their fears when the fact is considered that the sudden possession of such a large amount might create a strong temptation on the part of the weak and unscrupulous officials to resort to former practices of 'squeeze.'

"Hence, the first and foremost duty of the new Government is to allay the fears of the public by forestalling the revival of the old official practices, not only in the Central Government but in all the provincial administrations, by the appointment of men well known for their integrity and honesty to supervise the accounts and budgets. Thus shall we be enabled in this new era to prevent any attempt at illicit but too easily resorted to methods of 'squeeze-pidgin.'"

"Men well known for their integrity and honesty"—but Chinese officialdom possesses them not. Nepotism, bribery and squeezing remain recognised class-interests and fixed traditions of the mandarinate. The public conscience accepts them as necessary and minor evils of existence, even as in Western countries collective indifference to public affairs or a low standard of public morality will tolerate and perpetuate a corrupt class of politicians. The conditions created, for instance, in New York under the Tammany *régime*, reproduce many of the worst results of the Chinese system. Public life in England, two hundred and fifty years ago, tolerated official peculation on a large scale. This is an evil only curable by steady pressure of condemnation brought to bear by a politically-conscious majority. The apathy of the Chinese nation in regard thereto makes the prospect of financial and administrative reform seem extremely remote; it is impossible to imagine, under existing conditions, an energetic national crusade like the anti-opium movement, against the all-pervading dishonesty of the official class. It is this feature of the Chinese problem, a direct cause of the nation's political inferiority, that makes Young China's lack of moral qualities appear the more tragically disappointing. For years it has proclaimed, and many friends of China have hoped and believed, that, given the opportunity, it would set an example of clean-handed devotion to duty, that its influence would cleanse the official purlieus. The young officials and *literati* who suffered persecution and martyrdom for the Emperor's reform movement in 1898, had given promise of higher things. Many missionaries, judging by their own students, looked hopefully to the future when their influence should be felt for good. Some, watching the official careers of the picked men who served under Yuan Shih-k'ai in Chihli, were compelled at an early stage to doubt the efficacy of Western education, at least in so far as the eradication of venality was concerned. But the experience of the past year has proved, with a weight of damning

evidence that makes exceptions even more remarkable than an impecunious Viceroy under the old *régime*, that where Young China has cast off the ethical restraints and patriotic morality of Confucianism, it has failed to assimilate, or even to understand, the moral foundations of Europe's civilisation. It has exchanged its old lamp for a new, but it has not found the oil which the new vessel needs to lighten the darkness withal.

Five years ago, observing the first organised manifestations of the activities which have ended in the Republic, I had occasion to review the situation and prospects of that period in an article dealing with the educational problem.[1] The following passage has a direct bearing on the actual situation :—

" It is impossible to ignore the mighty forces at work, the eager interest shown by the people in the new schools, the immediate effect upon native thought, influencing every grade of society. It is certain that before long these forces must come into conflict with the policy and privileges of the classical *literati* and conservatism, and it is therefore a matter of no small moment to humanity to ascertain whether the moving principles of the new system are likely to be constructive or destructive in their effect; whether the wine of the new learning, rapidly absorbed by Young China, will act as stimulant or intoxicant; whether, in fact, the patience and patriotism of the Chinese will enable them to follow the example of Japan. It is a wide question, vital to the cause of humanity. To pass within the life of a generation from the Trimetrical Classic to John Stuart Mill, from the days of the Crusaders to the twentieth century, is a feat of mental and sociological gymnastics not devoid of danger; the people which takes so great a leap risks failure, and failure means anarchy and chaos. If one were to judge of the prospects in China only by the views of students, as expressed in their writings and political speeches, it would be safe to predict for the nation grave crises of unreason and unrest. But here, as elsewhere, the noise of the student

[1] Vide *The Times*, 6th February, 1908.

class is out of proportion to its importance ; beneath its froth and foam lies the soul of a people steeped in the philosophical traditions of Confucianism, of seriousness and common sense, and these may save it from the perils of change."

Young China has come into its kingdom — but the chief characteristics which it has displayed in political and executive work since the proclamation of the Republic are indiscipline, a craving for change in the forms and symbols of authority, an exaggerated sense of its own importance and powers of reforming activities, quick-witted intelligence and great readiness of tongue and pen, combined with an emotional fervour of nationalism. These characteristics have been manifested from Canton to Peking to a degree so marked as completely to overshadow the unselfish patriotism of the sincerely patriotic minority, and fully to explain the conservative reaction which has already manifested itself in several directions.

INDISCIPLINE RAMPANT.

Of the indiscipline of the Western-learning students and the foreign-drilled troops, it is almost superfluous to speak— the facts have been written large in chaos, pillage and crime throughout the eighteen provinces. It is an indiscipline which, for the students, begins in the schoolroom (where boys and girls boycott their teachers, and combine to send telegrams to Peking giving their opinions on political matters),[1] and ends, either in wordy wars of partisans or, as a last argument, in the throwing of bombs. If, as Yen Fu has declared, Peking's organisation of the foreign-drilled army was "like prescribing a piece of strychnine for a baby to suck as a tonic," the education abroad of thousands of

[1] At five o'clock on the morning of December 20th, 1911, some 2,000 students marched to the Viceregal yamên at Tientsin and demanded that the Viceroy should support a petition to the Throne for the immediate summoning of a Parliament. They threatened that they would not leave before having obtained his promise to do so. The Viceroy agreed to place their views in the proper quarter. The students then departed and paraded the city with banners bearing an inscription meaning "Quick Parliament."

Chinese youths, relieved from parental authority, was no less dangerous to a State so dependent upon moral restraints. The unruly turbulence of the Chinese students in Tokyo, and their repeated attempts to terrorise the Chinese Minister, became a public scandal in 1905—their impulsive Chauvinism being equalled only by their contempt for their own Government. Youths brought up in this way, finding themselves very generally regarded, upon their return to China, as exponents of the new wisdom, could hardly fail to become political agitators and conspirators—nor is it remarkable that, "when in disgrace with fortune and men's eyes," they should turn readily to violence and private revenges.

The development of assassination as a specific branch of politics has made some progress since the Revolution, particularly at Canton; but it is safe to say that it is still in the initial stage, and that, unless repressed by a strong hand, the bomb as a conclusive argument is likely to assume importance similar to that which it held amongst the Carbonarios of the Portuguese Revolution, and a far wider vogue. The *North China Herald* (2nd February) quotes one of the revolutionary leaders as having expressed regret that the Republic "should be compelled to use such means for the advancement of civilisation." A month before, three assassins of his party had endeavoured to murder Yuan Shih-k'ai "for continuing hostilities against his fellow-countrymen." A redeeming feature in Young China's newly-developed taste for explosives may be found in the fact that, owing to the ingrained carelessness of Chinese workmen, the career of the bomb-makers is usually brief. One promising establishment, founded by Hupeh (Japan-taught) experts near Chefoo, buried the fragments of its entire staff in three successive explosions.

EMOTIONAL UNRESTRAINT.

The emotional and theatrical tendencies of Young China's political and patriotic enthusiasms have been observed by

many writers—tendencies which find their expression in *le geste noble, le mot sonore,* in solemn processions and curiously anachronistic ceremonies. In purely political questions such as the granting of a Constitution, the Tatsu-maru case with Japan, or an alleged violation of "sovereign rights," a modern Chinese audience will work itself up into a semi-hysterical condition of eloquence and tears, when vast sums are subscribed (on paper) and orators will chop off a finger joint to demonstrate the intensity of their feelings. This emotional quality, the characteristic of the modern-educated Chinese crowd, contrasts so strongly with the restraint and dignity of the Confucian tradition that many observers have been thereby misled in attributing to Young China, not only unswerving convictions, but tenacity of will and a common purpose of achievement. For these political enthusiasms are as swift-spreading and contagious as our religious revivals; women, wives and sisters of the emancipated, organise social and political movements of their own, demand the vote and enrol themselves, greatly daring, as volunteers in the army of the Republic. Overseas, the Cantonese communities of the Straits Settlements and the Pacific coast catch the infection of these splendid dreams and subscribe their hard dollars to make Young China the equal, if not the superior, of the Powers of the West, and Canton the fountain-head of its new splendours. The pathetic side of all this gigantic game of jerry-building, of this splendid valour of ignorance, is increased by the sympathetic seriousness with which it has been received and discussed by the Press of the civilised world: not by that Yellow Journalism which instinctively magnifies everything that it does not understand, but by the sober and responsible Press which forms and leads public opinion. The "Awakening of China," its alleged adoption of trial by jury, its national conscription and woman suffrage, its social and political shibboleths, its imposing shadow-play of words against a background of dreams; all these have been

solemnly proclaimed as proofs conclusive that the type of China's social structure has been suddenly and completely changed by the magic formulæ of the Revolution.

The Chauvinism of Young China is, generally speaking, non-militant. It consists largely of an instinctive conviction of racial and intellectual superiority—a feeling not confined to the Chinese—and vague aspirations to secure recognition of that superiority. In the case of students educated in Japan, it frequently assumes, however, more aggressive forms; whilst the Cantonese party makes no secret of its hopes and plans for curtailing the opportunities and privileges of the foreigner. The T'ung-Meng-hui[1] Society of Sun Yat-sen and his ardent reformers represents chiefly the advanced foreign-educated student class, the men who cut their queues and wear foreign clothes, who would replace Confucius and Mencius by Rousseau and Mill, and the "Three Relations" of China's ancient social structure by unfettered individualism. Their political programme, greatly increased in importance by the adhesion of T'ang Shao-yi, resembles at many points that of Young Turkey. Ardently they seek for ways to relieve China of the pressure, if not the presence, of the European—to abolish his extra territorial privileges, to restrict his rights of residence in the interior, to obtain jurisdiction over the Treaty Port Settlements and full fiscal autonomy; but Young China's Chauvinism has yet to acquire the discretion which Young Turkey had learned in the hard school of international experience.

The Jacobins of China, in their furious zeal for change

[1] In the beginning of September, an arrangement was effected, by the leaders of the T'ung-Meng-hui, to amalgamate with five minor political groups "for the sake of harmony" under a new name, the Kuo-Min-tang, or Nationalist party. By this amalgamation the foreign-educated student element in the T'ung-Meng-hui was leavened by the older and more experienced section of the original Republican movement. I have, however, allowed the name T'ung-Meng-hui to stand here, and in subsequent chapters.

profess little belief in anything beyond their own ill-digested ideas of civic liberty. For this reason, their Republican ideals are become an impossible medley of fantastic incongruities, and the constitutionalists, Liang Ch'i-ch'ao's party of Monarchical Reformers, already predict their inevitable failure. It is notable that many men who joined the Republicans as fierce Jacobins, propertied men like Wu Ting-fang and Wen Tsung-yao, conspicuous in the anti-Manchu movement, have since passed to the moderate side, alarmed at the excesses of military dictatorships. As in the French Revolution, honest doctrinaires and visionary sectaries are beginning to resolve that fine words butter no parsnips, that political platitudes offer no protection against the perils of upheaval and change, and the people, *le peuple bête*, lends itself less readily to the purposes of Jacobins in China than that of the Latin races. Already throughout the country and especially north of the Yangtsze, there are unmistakable signs of a strong revulsion of feeling against the new-fangled men and measures which promised the millennium and have produced a military despotism.

Young China, as at present constituted, will pass, the shadowy fabric of a restless dream. An inevitable reaction will restore the ancient ways, the vital Confucian morality and that enduring social structure whose apex is the Dragon Throne. But Young China, at its passing, will not have been in vain. Something of the Utopia of its visions will remain, to renovate and modify that ancient structure.

HAICHOW CITY, NORTH KIANGSU FAMINE REGION.

CHAPTER V

CONSTITUTIONAL GOVERNMENT

When Her Majesty Tzŭ Hsi, in the depths of her dejection after the Boxer *débâcle*, looked about her to discover a way of restoring her shattered fortunes and the prestige of her dynasty, the advisers who first confirmed her in the direction of a radical reform policy and the gradual introduction of constitutional government were Jung Lu and the Chief Eunuch, Li Lien-ying. Her attempts to maintain the dignity of the Empire and to check the aggressions of foreigners by means of war-ships and a modern-drilled army had resulted in nothing but repeated humiliations and loss of territory. She would retrace her steps, take up the Emperor's reform policy and endeavour to cure the ills of her State by the new prescription of a Constitution. The Edicts which she issued between 1905 and 1908, ending with her own valedictory decree and that of the Emperor Kuang Hsü, clearly reveal an implicit belief, which grew to enthusiasm, in the virtues of a Constitution to put an end to China's weakness and disorganisation. But there is nothing in any of these Edicts to indicate that she herself had any clear conception as to the nature of the political institutions which the Constitution would create, or of their applicability to the daily life of the masses. Despite the feminine subtlety of her mind, her statecraft was frequently of the forcible but primitive kind which gives its orders and leaves the rest to Providence. She had had it dinned into her ears by Yuan

Shih-k'ai, Liu K'un-yi and others that, since the Japanese war, public opinion in the turbulent South had steadily been growing more and more impatient of autocracy, and that something must be done to conciliate its views. She had listened to the inductive reasoning of venerable men, inviting her attention to the fact that, whereas the nations which boast a Constitution are prosperous and strong, those which have none are poor and weak—and she accepted, willingly enough, the facile conclusion. It flattered her *amour propre* and restored her hopes of rivalling Queen Victoria in glory, to think that it was not so much her errors as the absence of a Constitution, that had brought calamity upon her reign : no doubt also that, at the back of her mind, there existed an intuitive perception of the fact that the granting of a Constitution need not necessarily impair the authority or the dignity of the Throne. She realised that her conversion to liberal principles could not fail to impress the European Powers, and that the ten years of preparation would give the dynasty a much-needed breathing space. She began, as usual, by giving publicity to her good intentions in the sending of an Imperial Commission under Duke Tsai Tse to study the various constitutional systems in force in foreign countries ; the results of this mission took shape, in 1905, in the issue of the famous Decree in which she definitely pledged herself to grant a Constitution in due course. In this Decree she frankly proclaimed her concurrence in the opinion that " the prosperity and power of foreign nations are largely due to principles of constitutional government based upon the will of the people," and she therefore declared it to be her duty " to consider by what means such a Constitution may be granted as shall retain the sovereign Power in the hands of the Throne and at the same time give effect to the wishes of the people in matters of administration." She had, however, the good sense (which Young China has not displayed) to perceive that the political education of the electorate and reform of the administration must precede

the granting of the Constitution; she realised by the light of her own remarkable intelligence that, in seeking to advance the material and intellectual conditions of the Chinese people, every care must be taken not violently to uproot the old institutions, but to graft the new on to the old "so that officials and people may be led to realise what executive government means as a foundation and preparation for the granting of a Constitution."

All this was seven short years ago. Looking to-day upon the hopeless chaos of Chinese politics, wherein the realities of life and the necessities of government are swamped in a mass of meaningless symbols of authority, of endless regulations that regulate nothing, we perceive the wisdom of the Old Buddha and the statesmanship of Jung Lu, who was all in favour of the slow and cautious introduction of new machinery adapted to the conditions of the raw material. Like Prince Ito, whose career and methods Jung Lu had carefully studied, he apprehended for China dangers from hasty ameliorations greater than those of a political creed outworn. In his pathetic valedictory memorial, while beseeching Her Majesty to persevere in the path of reform "so that gradually our Middle Kingdom may attain to conditions as prosperous as that of the great States of Europe and Japan," he put his finger on the spot of China's chief weakness in memorable words: "During my tenure of office as Grand Councillor, I have seen many men appointed to offices for which they were by no means fitted; herein lies a source of weakness, but, above all, it is necessary that radical change should be made in the selection of District Magistrates, and in the methods by which taxation is levied and collected." The wisdom of Jung Lu, a Manchu, is forgotten to-day—the wisdom which would have commenced by lightening the burdens of the people and making works, not words, the test of good government. Intuitively he perceived the vital truth that Young China has yet to learn, that (in the words of John Stuart Mill) "a Government's

arrangements for conducting the collective affairs of the community in the state of education in which they already are" has comparatively little to do with the fundamental constitution of the Government; that the "mode of conducting the practical business of government which is best under a free constitution would generally be best also under an absolute monarchy: only an absolute monarchy is not so likely to practise it. The laws of property, for example; the principles of evidence and judicial procedure; the system of taxation and of financial administration, need not necessarily be different forms of government."[1] In other words, Jung Lu realised that a rose by any other name would smell as sweet, and that, for practical purposes of reform, there could be no more virtue in the magic word Constitution than in the Cantonese student's bowler hat.

THE FIRST CONSTITUTIONAL PROGRAMME

The programme of Constitutional Reform issued under Imperial Edict on the 27th of August, 1908, clearly reflected the loss which the Throne had suffered by the death of this prudent counsellor. It reflected also close study, by the Commission of Constitutional Reform, of the principles adopted, and the results attained, under the Constitution of Japan. Prince P'u Lun and his colleagues of the Commission could not fail to perceive in the Japanese system precedents which the Manchu dynasty could adopt with every advantage to itself: the fact that they were unsuited to China's political needs, because of the totally different relations there existing between Throne and people, was disregarded, partly because of the Commission's complete ignorance of practical politics, and partly because of its haste to throw some sort of sop to the democratic Cerberus, growling in the South. The Constitution, as defined by the Commission's programme,

[1] *On Representative Government,* Chapter II.

was clearly intended to concede popular rights, which, in their operation, would always be limited by the prerogatives of the Throne and the ruling class. The Chinese Parliament of the future was to possess rights and exercise functions which, like those of the Japanese Diet, are subject always to the supreme authority of the Emperor and his Ministry. The control of national revenues and expenditure, generally regarded as the corner-stone of constitutional liberties, was to be nominally vested in the people's representatives, but actually it remained subject to the good will and pleasure of the Throne, which reserved the right to prorogue or suspend Parliament and "when Parliament is not in session, to issue Edicts for the purpose of carrying on the government and for raising the necessary funds"—provisions similar to those which obtain under the benevolent autocracies of Russia and Japan.

For the masses of the people, the granting of a Constitution meant little or nothing. They welcomed the news of its coming with the detached enthusiasm which they would have accorded to a comet, or any other splendidly intelligible phenomenon. But for the Western-learning Intelligents and malcontents, fed on the strong meat of American democratic principles, the "nine years' programme of constitutional preparation" was a snare and a delusion, and their dissatisfaction was speedily manifested in an agitation, which originated as usual with the Cantonese, for a considerable reduction of this period of preparation. They felt, and with reason (as was proved by the subsequent history of the National and Provincial Assemblies), that, given a Parliament for the expression of their grievances and aspirations, the loose formation of the Manchus would speedily go down before the organised attacks of their determined opposition. This was the attitude of the constitutional reformers; but after the death of Tzŭ Hsi, the followers of Sun Yat-sen began actively to conspire against the dynasty, at first with the object of declaring the inde-

pendence of the Kuang provinces; so that, with them, the granting of the Constitution became, for the moment, a matter of secondary importance. Did not its first article proclaim the palpable absurdity that "the Taching dynasty shall rule over the Taching Empire for ever and ever and be honoured throughout all ages"?

The details of the "nine years' programme of constitutional preparation" are deserving of notice as a study in the mentality of the mandarin. They illustrate in a most remarkable manner the Chinese bureaucracy's talent for making endless regulations, a talent only equalled by that which it displays in breaking them. The making of these regulations has nothing in common with Germany's disciplined regimentation of citizens: it differs also in effect from the moral sign-post system of Japan, although outwardly resembling it in many respects. The paternal care of the German Government aims, by ordinances and public warnings, to secure from ignorant and careless persons uniformity of precautions against public inconveniences and dangers, which have arisen within the knowledge of men, and may therefore possibly arise again. The generally harmless regulations of the Japanese are partly an expression of that nation's imitative faculties, and partly a survival of the ancient classical profession of word-spinning—they serve, as everything serves in Japan, to remind a patriotic race of the benevolent activities of its rulers and to impress the humbler citizen with the usefulness of the man in the blue coat and metal buttons. But in China the making of regulations is a learned profession, pursued by the bureaucracy without reference to any questions of practical utility; an art, practised for art's sake, which occasionally in provincial Yamêns, degenerates into a pastime—and Young China resembles, and even excels, Old China in its forty-parson-power capacity for dividing any and every subject into heads and sub-heads innumerable.

[*Photo, Le Munyon, Peking.*

THE YŬN-HUI PAVILION, WINTER PALACE, PEKING.

THE MAKING OF REGULATIONS.

The work of preparing the ground for constitutional government speedily resulted in the production of a mass of regulations so vast that it may safely be said that the most conscientious and industrious member of the National or Provincial Assemblies could never have assimilated half of them. Those who desire to study this mountain in labour will find a careful summary of the Government's first regulative processes in the China Year Book for 1912:[1] behind them all, dimly perceivable through a dense fog of confused ideas and verbiage, looms the menace of the new mandarin, bureaucracy arming itself with new devices for the bewilderment of the people. Most of these regulations have now passed into the limbo of forgotten things, with the advent of the Republic; but since their passing an army of regulation-spinners has produced a most imposing web of Republican ordinances dealing with every conceivable subject, whilst another, under the guidance of Japanese experts, is proceeding with the preparation of civil, criminal and commercial codes. It is interesting, in this connection, to observe that, pending the introduction of these codes, meticulous "regulations for judicial administration" have been promulgated and are now supposed to be in force. These include 120 "regulations for Courts of Justice," issued under Imperial Edict in December, 1907, and 164 "regulations for the Judicial System," issued in February, 1910. Needless to say that neither the Courts of Justice nor any of their machinery and equipment, elaborately described in these Regulations, are in existence, nor did any one expect that they would be. The industrious pundits who compile these things proceed on general principles, similar to those of the Szechuan Railway Company's directors, who made provision for the building of their line

[1] *The China Year Book*, by Bell and Woodhead. Routledge and Sons, 1912.

by the appointment of Station-Masters. High Courts of Justice, Courts of First Instance, Procurators' and Registrars' offices, all these will come, no doubt, in good season; in the meanwhile, the discussion and framing of their organisation provides opportunities for honest men to fill a certain number of new posts. The regulations themselves are worthy of study, throwing much light on the average Chinese official's conception of Western institutions, and proving, more clearly than any argument could do, the utter impossibility of applying our Parliamentary and administrative systems to the China of to-day. The junior clerks with a reputation for expert knowledge of Western affairs, whose business it is to elaborate these interminable codes in the recesses of the Ministries concerned, struggle eternally between their penchant for minutiæ and their fear of finality, so that the general result leaves an impression of *fortiter in modo, suaviter in re*, infinitely distressing to the European mind. Their childlike *naïveté* is only equalled by their scrupulous care to provide for every possible contingency of human weakness. The legislator, instinctively clinging to Confucian tradition, is ever a moralist in disguise. Therefore, in dealing with the electorate, he prescribes that none shall be qualified to exercise the suffrage "whose conduct is perverse and misguided, who decide matters on the spur of unreflecting impulse or who judge their fellow men with partiality"; and, dealing with legal procedure, he ordains that "women, children and persons who are disreputably clad, may be ordered by the Judge to leave the Court" and that "misconduct on the part of subordinate officers of the Court may be censured, and, if necessary, rectified, by their superiors."

An interesting return might be compiled, if only data were available, of the amount of public money spent on the sending of Special Missions, the preparation of reports and the drafting of laws and regulations connected with China's various "paper reforms" of the past decade, with questions such as

Naval Re-organisation, Currency Reform, or the Standardising of Weights and Measures; questions which no one, beyond the Chinese officials concerned and a section of the European Press, ever regarded as practical politics.[1]

THE REPUBLICAN CONSTITUTION

If I refer at such length to the origin and evolution of the scheme of constitutional government proposed by the Throne under the nine years' programme of 1908, it is because everything in the actual situation—including the "Provisional Constitution" issued by the Republican Government at the end of March—points clearly to the fact that neither the Press nor any party in the State has hitherto faced the difficulties and dangers of the immediate future. Whatever may have been the mental reservations and real intentions of the Manchu Government, the Republic stands definitely committed to a Constitution framed either on the French or the American model. Nevertheless, there has been nothing, either in the debates of the National and Provincial Assemblies, in the utterances of recognised leaders, or in the provisional President's "Mandates," to indicate that the Republic approaches this matter with careful preparation and the deep sense of responsibility which it deserves, at a time when high seriousness and definite purposes should be displayed by the highest intelligence of the nation. When the best expert advice should be invoked from abroad for discussion of the many and intricate problems that await solution, the attention of the Government and of the party leaders is concentrated upon questions of finance, upon Cabinet intrigues and sordid personalities. As it was under the Manchus, so it is to-day: Imperial and national interests,

[1] In a speech before the National Assembly on the 26th of October, 1911, Duke Tsai Tse, in introducing the Budget, explained that the Treasury was exhausted as the result of expenditure connected with re-organisation and reforms. The remedy, in his opinion, lay in the early convening of Parliament!

the very existence of the country as an independent sovereign State, are matters subordinate to party feuds and personal ambition. The great issues upon which depend the destinies of the nation are relegated, by common consent, to a more convenient season. Is it not enough that the President has sworn to uphold the Constitution? That neither he, nor anyone else, has any definite ideas as to what that Constitution should be, is proof of his comprehensive loyalty to Republicanism in the abstract. For the rest, time enough to discuss the Constitution when the National Assembly has been elected and convened, and the Provisional President confirmed in office. The National Parliament Regulation Bill, debated and passed by the Advisory Council for the first time in June, 1912, conveyed the same impression of light-hearted indifference to practical details, the same jaunty insouciance, as the Provisional Constitution which, by its decision, is to continue in force "until the real Constitution has been promulgated."

I do not propose to weary the reader with any detailed analysis of this "Provisional Constitution." Its provisions being purely academic and without practical significance or effect in China, we may fairly regard the whole performance with the same mild curiosity, tempered by melancholy, which it excites in the average non-political Chinese. It bears, in every line, traces of a pundit simplicity more artless even than usual; as reminiscent of the official literature of the Monarchy as the Mandates of Yuan Shih-k'ai himself. Under the heading "Chapter II. Citizens," for instance, we find it solemnly recorded that—

"Art. III. Citizens shall enjoy rights of security of their property and freedom to trade.

Art. V. Citizens shall enjoy the right of secrecy in their correspondence.

Art. XI. Citizens shall be entitled to participate in civil examinations.

Art. XIII. Citizens shall be liable to payment of taxes according to law.

Art. XIV. Citizens shall be liable to military service according to law."

And so on, *ad infinitum*.

A wide gulf separates these theories of the art of government from the stern realities of life in China—a gulf not to be bridged by the introduction of any new machinery for academic discussions and official shibboleths. Some idea of the width and depth of this gulf may be gathered from the columns of the vernacular Press since the first outbreak of looting by the Republican troops—and from the proceedings of prominent revolutionary leaders of the type of Ch'en Chi-mei, Military Governor of Shanghai. While making all possible allowance for disorders inevitable during a period of transition and general unrest, and while fully recognising the good intentions of many would-be reformers, it is not possible to minimise the thousand ills that spring from the all-pervading greed of gain. Consider, for instance, the significance of the following Presidential Mandate, issued by Yuan Shih-k'ai in July, with reference to the wholesale extortion practised by "zealous officials" in connection with the "Citizens' Fund," or voluntary patriotic loan.

"As difficulties in Finance have reached a climax, the benevolent and the patriots, rising to the occasion with the intention of making a united effort to afford mutual assistance and support, have advocated the raising of a citizens' contribution fund. Their loyalty and righteousness thus bursting forth are worthy of our respect and appreciation. All persons who are enthusiastic lovers of their country would certainly sacrifice some of their wealth in the furtherance of the public welfare. Yet the scheme had not been working long before abuse set in. Occasionally busybodies, under the cloak of a good cause, have surreptitiously resorted to compulsion. This was really not foreseen by the

proposers. I, the President, having accepted the trust from the citizens, am ashamed of myself for having been unable to recuperate the health of the nation. If I were continually to let the populace suffer disturbance without caring for their well-being, how could I reconcile my conscience? In the Provisional Statute a clause is provided for the protection of the people and property. If they themselves do not wish voluntarily to give contributions there should be no infringing upon their freedom. Therefore, the whole nation is hereby informed that if there be any demand by compulsion for contributions the territorial superior officials are to point out or hand the offenders to the yamêns administering justice, to be dealt with strictly as provided in law."

THE THEORY OF POPULAR REPRESENTATION.

From the outset of the agitation of Young China for Parliamentary institutions, as a means of organising the masses to a state of political consciousness and natural efficiency, all classes of reformers have agreed in insisting on the elective principle of representation, and on the creation of a Parliamentary system of government, which, according to Dr. Sun Yat-sen, "is to be broad-based upon the people's will, directed by one great central machine, in which every province and every man in China shall have a voice." In estimating the sincerity which underlies a proposal obviously impossible of achievement in the present condition of the Chinese people, it must be borne in mind that in this, as in all other advanced ideas, the initiative has lain with the Cantonese Intelligents and that in the Kuang provinces it is permissible to believe in the possibility of something in the nature of popular representation. As regards the rest of China, however, as every educated Chinese knows (unless, like Sun Yat-sen, he has been brought up abroad), the idea of rapidly transforming the masses of the population into an intelligent electorate, and of making a Chinese Parliament the expression of their collective political vitality, is a vain

dream, possible only for those who ignore the inherent character of the Chinese people. Doubtless, amongst the enthusiastic exponents of Western learning, there were many who really did ignore their countrymen's atavistic resistance to change, and many who honestly believed that only the immediate convening of a Parliament could protect the nation from foreign financial exploitation and territorial aggression. But, for the rest, there is much internal evidence, in the records and regulations that have accumulated in connection with Constitutional Government, to show that much of the eloquence expended on the subject of effective representation of the sovereign people was thoroughly insincere. It need not greatly surprise us, indeed, that intelligent and ambitious Chinese youths, educated in England, America or Japan, should acquire the demagogue's trick of identifying the will and the welfare of the people with the fulfilment of his own ambitions ; what should surprise us rather is that, when this is obviously the case, intelligent observers and the European Press should attach implicit belief to the Chinese politician's fervent declarations of altruism and unreservedly accept his interpretation of the wishes of the Chinese people.

Consider, for instance, the position of affairs in October, 1909, at the first opening of the Provincial Assemblies, which was the signal for a determined, organised campaign by Young China to compel the Central Government to shorten the "nine years' period of Constitutional Preparation." At that date the first year's programme had been more or less completed (on paper) and its results recorded in a formidable mass of regulations and ordinances, of which, it is safe to say, the masses remained in complete ignorance. The first year's programme included the following reforms :

1. Organisation of Provincial Assemblies.
2. Issue of local administrative regulations.
3. Issue of Census regulations.

4. Issue of regulations for financial reform.
5. Establishment of a Bureau for the reform of the Manchu system.
6. Preparation of elementary lesson-books for teaching reading.
7. Preparation of books for general reading.
8. Revision of the Penal Code.
9. Drafting of Civil, Commercial and Criminal laws.

Here, indeed, was a beginning comprehensive enough to satisfy the hungriest reformer—promising, moreover, unlimited opportunities of honourable and remunerative labour for regulation-makers and Western-learning experts. In February of the same year (1909) an Imperial Edict had been issued, emphasising the national importance of these measures and indicating the general procedure to be observed for their execution. This document is so eloquently suggestive of Chinese bureaucratic methods, and of their family likeness to the laws of the Medes and Persians, that the reproduction of a portion of its text is instructive :

February 17*th*, 1909.

" (1). It has been laid down in the programme, drawn up by the Office for the Study of Constitutional Politics, of the different measures to be carried out every year, that the election of advisory assemblies, the institution of local government in districts and departments, the establishment of local government societies, and the promulgation of regulations for the deliberative assemblies in Peking, are to be carried out in the present year.

" In these matters, the concentration of the minor parts is essential as, without this, the central bodies cannot exist. The Viceroys, Governors and Manchu Generals-in-Chief, and Lieutenants-Generals, who have civil jurisdictions, are commanded to direct their subordinates to appoint upright and intelligent officials and gentry to organise these institutions in due time.

" Their scope, restrictions, powers and duties should be

PEKING—SEEN FROM A HILL IN THE IMPERIAL CITY.

Photo, Le Munyon, Peking.

according to the promulgated regulations. No procrastination should be allowed. The Office for the Study of Constitutional Politics shall urge their formation in case of delays, also supervise and correct any erroneous workings, so as to ensure the establishment of the 'Tzŭ Cheng Yuan' (Deliberative Assembly) within the limit of time, and carry out the desire of the Throne to improve the government and to be more in touch with the commonalty.

"(2). When the Commissioners for the Revision of Laws last submitted the Draft Criminal Code, the Office for Study of Constitutional Politics communicated it to the Ministries and Offices, in and out of Peking, for discussion and consideration, to ensure its suitability. Later, the Ministry of Education, the Viceroys and Governors of Chihli, Liangkiang and Anhui suggested to us that the new and old laws of China should be carefully compared and the Code should be revised properly, so as to attach due importance to human relationship and obligations, and to preserve government and peace. We then commanded the Commissioner for Revision of Laws to revise carefully the Code in conjunction with the Ministry of Justice."

What a *bonne-bouche* for a Carlyle! How his deep thunder would have rolled at these mouth-filling titles of Button'd men in blue, at such resplendent whitewashing of ancient sepulchres! Commissioners, High Offices, Ministers, Viceroys, Governors, and Satraps, all busy devising new paths unto the old ends, "directing their subordinates to appoint upright and intelligent officials and gentry to organise these institutions in due time." Yet none amongst them all, and no word in all their ordinances and edicts, to speak of the two great master passions, deep-rooted in the soul of the people whose will they purport to obey; no word of the race's blind procreative recklessness nor of its hunger-driven greed of gain. Strange that an educated governing class which avowedly follows Confucius in identifying wise government with national morality, should continue, in all its new devices of statecraft, to ignore the vital obstacles

which block the road to political and material progress. Amidst all these confident announcements of new panaceas and creaking of new machinery, the warnings of history and philosophy come but faintly, and to few. Nevertheless, amongst those who profess admiration for the founders of social science in Europe and for the things which make representative government possible and beneficent, there must be men who realise the truth, who know how delusive is the hope that "there needs but this kind of instruction or that kind of discipline, this mode of repression or that system of culture, to bring society into a much better state."

In order to gauge the sincerity and practicability of the radical reformer's ideal of a constitutional government for China, based on the elective principle and representative of the whole people, we may briefly consider the results obtained under the first two headings of the programme for the first year of preparation (1908–09), that is to say, the organisation of the Provincial Assemblies and the issue of local administrative regulations.

A "SILK-GOWNED FRANCHISE."

The Regulations for the Provincial Assemblies present no features of especial interest—and certainly none that interested the ordinary delegate. The qualifications required for exercise of the franchise, however, are deserving of attention, for they indicate an unmistakable intention on the part of the intellectuals of the middle class to secure for themselves a monopoly of influence and political power under the new *régime*. It was, in fact, a franchise whereby the Intelligents, the *literati* and gentry of the provinces might expect to exercise gradually increasing rights of representation in affairs which Peking had hitherto controlled without their interference; but it completely ignored those

aspirations of the inarticulate masses for direct representation, whereby the Radical extremists have persistently justified their Republican movement. It was a "silk-gowned franchise," restricted by educational and property qualifications of a kind that made every Provincial Assembly the natural protector of the interests of the class which had dominated local politics in China for centuries. Only those might vote who could prove possession of property to the value of five thousand taels (say, £650) or who held a degree conferred under the old classical system, or who had graduated from a Government High School or Middle School. The property qualification should prove elastic enough in able hands to pack an assembly, if needs be, since it is inconceivable, as things are ordered in China, that evidence as to property should be demanded or supplied. But as a matter of fact, packing, canvassing, and the ardours of electioneering, as known to Western countries, are happily unknown in China, for the simple reason that all this business of modern politics is regarded by the average merchant and by many of the influential gentry as a profession with which they do not desire to be directly concerned. The privilege of voting for the first Provincial Assemblies was therefore very generally declined, except by those whose enthusiasms or private interests impelled them to the ballot boxes. For the same reason, candidates for election were most frequently drawn from the new Western-learning class of professional politician. There were, of course, instances of distinguished officials and scholars identifying themselves with the new politics—for example, the optimus Hanlin, Chang Chien, first Chairman of the Nanking Assembly, whom Yuan Shih-k'ai subsequently endeavoured to appoint Minister of Commerce—but, on the whole, the silk-gowned franchise and its results found, and left, the great majority of the middle class apathetically indifferent. It was certainly no concern of the "stupid people."

According to the first year's programme, however, the political education of the masses was now to begin, with the introduction of simple measures of self-government in every city, town and village throughout the Empire. Here, indeed, was the essential basis of constitutional government, the solid foundation upon which, by educative process, China's millions might be emancipated and brought to political consciousness. The regulations for the introduction of Local Self-government were duly compiled, and sanctioned by Imperial Edict in January, 1909. They consist of a code of 120 Regulations, with innumerable heads and sub-heads, dealing with every conceivable aspect and business of urban and rural committees; to this is appended a code of eighty regulations governing the elections to be held in cities, towns and villages. Upon the issue of these monumental regulations (the translation of which necessitated a vast amount of labour by the Chinese Secretariats of the Legations at Peking), the Commission of Constitutional reform submitted a memorial to the Throne announcing that the first year's programme had been duly carried out. Foreigners in China, and the Chinese themselves, have always been accustomed to the promulgation of schemes of reform, which no one is expected to take seriously except the new officials appointed in connection therewith and perhaps a few sympathetic and unsophisticated European journalists. But in the present case, so urgent were the needs, and so great the dangers which threatened the Empire from within and without; so sincere appeared to be the general desire for better government and wider knowledge, that even those in whom experience had confirmed scepticism, were disposed to believe that the groundwork of the Constitution would receive from the patriotic and intelligent *élite* of the country the serious attention it deserved. The genuine enthusiasm displayed in the matter of opium abolition by the educated middle

class was sufficient to justify optimism. It was almost impossible to believe, where the issues at stake were so vital and the experiment of local self-government in itself so important, that the initiative of the measures prescribed in these regulations could fail to enlist the personal attention and active co-operation of every reformer.

But the results proved conclusively that, as far as the masses of the people were concerned, the arguments adduced by politicians in favour of representative government were as untenable as they would be if applied to the political regeneration of Patagonians or Malays. More than that, they showed that the educated classes, and the political agitators who professed to believe in the aspirations of the masses towards unified national life, were as insincere in this matter as the mandarins of the old *régime*, when they evolved their periodical schemes for currency reform, or standard weights and measures, or practical mining regulations. Beyond the appointment, for decency's sake, of a number of purposeless officials, the regulations for local self-government produced, and were evidently intended to produce, no practical results. A measure which, in the hands of capable and patriotic reformers, might have proved the inauguration of a social renaissance and laid the foundations of representative institutions, proved, as the pessimists foretold, a dead letter from the outset. The text of the regulations, carefully examined, reveals in every clause an implicit belief, not in the sovereign will of the people, but in the inherent tendencies of a despotic bureaucracy; from which "there is no outlet, unless in so far as the despotism consents not to be despotism."[1] The principle of representative government was effectively negatived, *ab initio*, by a procedure which permitted, or rather directed, District Magistrates to "elect" the people's representatives for the purpose of local government. This in itself was bad enough; but the fact which damns the whole "reform" as hopeless is, that neither the

[1] John Stuart Mill, *On Representative Government*, Chapter III.

Provincial Assemblies nor the Central Government have displayed the slightest interest in these still-born regulations or seriously endeavoured to make them effective.

"In any case," says Mill, "in which the attempt to introduce representative government is at all likely to be made, indifference to it, and inability to understand its processes and requirements, rather than positive opposition, are the obstacles to be expected." The educated intelligence of China, and particularly the Cantonese party, which owes most of its theories of reform to the study of European methods of government, were perfectly conscious of the inability of the Chinese peasantry to understand the processes and requirements of representative government without systematic exhortation and guidance. Given a patriotic impulse of the kind which stimulated an influential section of the intelligence of Russia at the time of the emancipation of the serfs, the "nine years' programme of Constitutional Preparation" might have proved something better than what the Chinese proverb calls "wind in the ear." As events have proved, the reform which was to herald the dawn of a new day was in fact a dead letter from its birth; and with its relegation to the limbo of bureaucratic insincerities, constitutional government in China became, for those who faced the truth and realised its importance, an empty shibboleth, the stuff of politicians' dreams. The apathy of the masses in the matter of self-government was only equalled by the indifference of the classes who had proposed the minutely elaborate scheme for its inauguration. Young China, as represented in the Provincial and National Assemblies, proved its atavistic belief in the superiority of words over works for purposes of reform.

The deliberations of the Provincial Assemblies were conducted with dignity and decorum; but their efforts were clearly directed, not towards the elevation of the masses, but towards curtailment of the powers of the metropolitan administration. Their collective activities became

concentrated on acceleration of the "nine years' programme." Salvation lay, not in preparing themselves and the people for a form of constitutional government adaptable to the existing social structure, but in demanding the immediate establishment of Parliamentary government, *i.e.*, the immediate recognition of their own right to represent the inarticulate and unregenerate masses. Their importunate demands triumphed over the better judgment of the terrorised Regent and his advisers. On the 4th of November, 1910, an Imperial Edict ordained that Parliament would be convened in 1913, that is to say, the period of preparation was to be shortened by four years. The National Assembly, then six weeks old, was dissatisfied; it demanded the immediate convening of Parliament, as a matter more urgent than any preparation for a Constitution. The Parliament was practical politics; the Constitution, in the estimation of the people's self-elected representatives, was evidently a matter to be considered at a more convenient season. Throughout the stormy session of November–December, 1910, the question of the Constitution and of the various preliminary reforms outlined in the nine years' programme, faded into a remote distance, while the Assembly and the Government struggled fiercely over the prerogatives of the Grand Council. Again the Manchu organisation proved utterly unable to cope with the new forces brought against them, and on the 25th of December a sop was thrown to the agitators by the creation of a so-called Cabinet, and by the drafting of a revised programme for Constitutional Reforms. In its brief first session, the National Assembly demonstrated, firstly, the utter helplessness of the Manchus as rulers; secondly, its own highly developed instincts of destruction; lastly, its contempt for its own Constitution and Regulations. But in spite of proceedings and achievements characterised by a general spirit of indiscipline, the National Assembly failed—probably because of the large number of Government nominees in its membership—to

satisfy the ardent spirits of the southern revolutionaries, who solemnly denounced its *personnel* and repudiated its proposals. In all its proceedings it had displayed an ingrained racial inability to inaugurate, or even to appreciate, that government of law which is the basis of all Western civilisation, and added its final testimony to the inapplicability of a Constitution (as we understand that term) to the political and social structure at present existing in China. All the proceedings of Young China, preparatory to the convening of a Parliament, prove clearly, except for those who are blinded by their enthusiasms, that the masses of the people have no more prospect of being directly represented in that parliament than they had in the Grand Council. Constitutional government in China resolved itself into an organised effort by the educated, executive class to secure, firstly, the abolition of Manchu power, and secondly, a political "clearing house" for the Provincial Assemblies.

There is nothing in these results which need surprise the student of history and sociology; on the contrary, it would have been a political miracle had the oriental, passive type of character, which exists naturally under autocratic government, suddenly become changed into the active self-helping type, which demands representative institutions. The *Rules for Local Self-government*, laboriously compiled with scissors and paste by well-meaning pundits under the Commission of Constitutional Reform, could have no possible meaning for the masses of China, and therefore no hope of fulfilment. Only in the south-eastern provinces, where something approximating to the active self-helping type exists, could there be any prospect of even a partial materialisation of those pundits' dreams of local self-government, producing the "libraries, the newspaper-reading rooms, the public scavenging and sanitation, the dispensaries, hospitals and medical schools; the parks, anti-opium institutions"; the public buildings and street lighting, technical schools, and industrial exhibits; the regulation of commerce

Photo, Le Munyon, Peking.

GROUP TAKEN AT THE WAI-WU-PU AFTER THE CEREMONY OF THE INAUGURATION OF YUAN SHIH-K'AI AS PRESIDENT.

and relief of famine, enumerated under Article 5 (sub-heads A to H) of the regulations.

Since the passing of the Monarchy and the birth of the Republic, most of the foundations of the Constitution have had to be relaid, and the final plans for the building itself remain, for the moment, subject to alteration. A new group of regulation-weavers, drawn chiefly from Young China of the South, has produced several tentative drafts, compiled with the assistance of Mr. Shida and other Japanese experts, from all sorts of existing and defunct Constitutions; but the text of the provisional Constitution may fairly be regarded as generally indicative of the lines of thought and procedure which the "people's chosen representatives" may be expected to follow. In the beginning of the movement, under the Monarchy, the opinion of Young China inclined towards a Constitution framed on the British model. Even when the Manchus' fate was clearly sealed, when Yuan Shih-k'ai was making his last hopeless stand for a Constitutional Monarchy, an edict of the 2nd of November, issued in compliance with the demands of General Chang Shao-tseng of Lanchou, directed the National Assembly to draft a Constitution framed on British lines. It was then announced that "the Assembly hoped to abolish all those customs, laws, and regulations which are incompatible with a Constitution modelled on that of Great Britain." The Assembly's Memorial, in submitting the nineteen fundamental articles of the Constitution which had been dictated by the Lanchou troops, urged their immediate adoption "as the only remedy for a desperate situation" and added that "the British Constitutional Monarchy had been selected for adoption in China." *The Times* correspondent at Peking sympathetically observed that the nineteen articles "showed a close study of the British Constitution." The proposed abolition of all "customs, laws, and regulations" which failed to conform thereto, was generally regarded as affording a simple and satisfactory solution of the Chinese

problem. True, the British Constitution consists largely of precedents and principles unwritten; but an unwritten law which everyone might spontaneously obey seemed, in the eyes of well-meaning enthusiasts, even more hopeful than a written Constitution which required nine long years of preparation for impossible reforms.

THE FUTURE CONSTITUTION.

With the Monarchy, devotion to the British Constitution passed, of necessity, from the scene, and a close study of American and French models gave new occupation to many industrious clerks. As matters stand, urgent questions of foreign loans and domestic finance have relegated all abstract theories and projects of government to the uncertain future; and the political horizon to the North is dark with threatening clouds. He would be a bold prophet who should define the geographical frontiers of the territory which will be covered by China's Constitution whensoever finally adopted, and bolder still he who should foretell by what of common interest and responsibility the provinces are to be held together in a Federal Union. At what point, and by what authority shall provincial autonomy be made subordinate to national interests? Can any Constitution or form of words, anything, in fact, short of the unchecked authority of a strong ruler, hold China together as a sovereign State? These things are upon the knees of the Gods; but this is certain, that whatever may be the type of Parliamentary procedure established by the National Assembly, any form of Constitution which claims to provide for representative government, or faithfully to embody the democratic principles upon which the Republic is supposed to have been founded, must be foredoomed to failure. Such a Constitution, if deliberately passed with the approval of the educated classes, could only mean that, for the present, China must be numbered amongst those States in which,

under cloak of lofty ideals and professed devotion to the welfare of the people, the self-seeking purposes of professional politicians are the real aim and object of government. It is no new thing, even amongst modern Republics, and politically conscious nations, that a Constitution embodying all the noblest sentiments of progressive humanity should fail to improve the conditions of life for the common people. In Portugal, for instance, under a Constitution splendidly eloquent of all the benefits to be conferred by a new era of liberty, equality, and fraternity, the Rotativist system continues to flourish, while the economic and social conditions of the people are no whit better than under the Monarchy. In many of the South American Republics, Constitutions breathing the very spirit of pure reason and morality have served alike the ends of bloodthirsty tyrants and benevolent despots. A Constitution embodying the collective intelligence of Persia cannot rescue the country from disorganisation and disruption. In Turkey, the Record of Constitutional Government is particularly instructive, because of its bearing on the situation in China. The Constitution wrested from Abdul Hamid in July, 1908, seemed indeed to the people of Turkey—Jews, Greeks, Albanians, Bulgars and Turks—the splendid dawn of a long-hoped-for day. The public rejoicings at Salonica and Constantinople were memorable scenes, marked by enthusiasm so universal and sincere that the Chancelleries and Press of Europe were moved to a chorus of sympathetic approbation. Nevertheless, no sooner had Young Turkey settled down to its civilising patriotic labours, than the beatific vision faded, and the stern realities of conflicting classes, creeds and customs reasserted themselves. Within six months of the proclamation of the Constitution, the first General Election had been held—or rather "made"—under conditions which gave the subject masses cause to revise their conception of liberty, equality, and fraternity. After the collapse of the reactionary movement which took

place early in 1908, the Young Turks, flushed with success and encouraged by the undiscriminating approval of the Powers, proceeded to nullify every important privilege conceded by the Constitution and to suppress even those ancient rights which the people had enjoyed under the old *régime*. Secret societies, brigandage and political assassinations became the order of the day; disaffection in the army grew apace—the general condition of the country became even worse than it had been under Abdul the Damned. In the so-called elections of 1911, the Macedonian peasants were forced to the polls and compelled, by every device of unscrupulous officialdom, to legalise a tyranny for which there was no remedy. At the same time, the leaders of Young Turkey displayed an intolerant Chauvinism, entirely inconsistent with their professions of liberalism, which rapidly alienated the sympathies of friendly Powers. After four years of incessant civil strife and fruitless wars, the Young Turk *régime*, weighed and found wanting, collapsed, leaving the country exposed to the new dangers of a military dictatorship. And amongst all this chaos and crime floats, a melancholy derelict, the wreck of a futile Constitution.

But, despite China's disastrous experiences of the past fifty years, and the foredoomed failure of her present political experiments, it is difficult for any student of her history and people to doubt that the splendid qualities and instinctive common sense of the masses will assert themselves in time to avert the worst consequences of Young China's headlong iconoclasm. Despite every fresh proof of inertia in the masses and incompetence in their self-constituted leaders, we are impelled instinctively to hope against hope that, from out of all this trouble and turmoil of new forces, the ancient weather-beaten structure will presently emerge, modified and strengthened, to adapt itself to its changing environment; that the collective intelligence of the race will perceive and understand that "all laws and institutions and

appliances which count on getting from human nature, within a short time, much better results than present ones, will inevitably fail." [1] When this occurs, China will evolve her Constitution, based not on the experience of alien civilisations, but on her own social, economic and political limitations and power of growth.

[1] Herbert Spencer, *Study of Sociology*, Chapter VI.

CHAPTER VI

YOUNG CHINA AND YOUNG TURKEY COMPARED

The outward and visible signs of resemblance between the Turkish and the Chinese Revolution have naturally engaged the attention of many observers. The position of the military element as final arbiter of the destinies of both nations is ominously significant of future unrest; for recent events have clearly proved, even to confirmed optimists, that neither country is yet fit for the application of constitutional principles of government, as we understand them. Both nations are still, politically speaking, in the Middle Ages; every attempt to adapt to them the uses of representative institutions is doomed to end in failure. The imposing façade may be there, all neatly painted and garnished, but behind it are the unchanging ways of the Oriental Bazaar. Considered in the light of history and social science, the chances of China's eventual survival as a great nation would appear to be far better than those of Turkey, even though, for the present, the nation's philosophical anti-militarism prevents the Central Government from asserting the authority essential to prevent disruption, and although Young China, as compared with Young Turkey, presents certain features of inferiority.

On the 16th of December last I had the good fortune to be present, a spectator in the Strangers' Gallery, at a session of the Chamber of Deputies in Constantinople, when Saïd

Pasha's policy on a constitutional question concerning the dissolution of the Chamber by the Sultan, was subjected to a violent attack by the Opposition. The proceedings afforded an unusually instructive object lesson in the political and social economics of a nation in process of adapting itself to a new and complex environment. Here was the young and heady wine of European democracy visibly agitating an ancient but serviceable skin of Asia; here were the blood-brethren and beneficiaries of the Revolution already divided amongst themselves, afflicted by the eternal questions that separate the haves from the have-nots, the believer from the infidel. Here was the new administrative machine settling down into the old inevitable grooves—a "Committee of Union and Liberty" fiercely assailing a "Committee of Union and Progress." Here was the impatient new, fiercely striving to ring out the philosophic old—a silent struggle of systems, grim conflict of human and racial forces of East and West, all set forth and conducted upon lines of parliamentary procedure. The Chamber, in its severely practical architecture and equipment, was suggestive of a lecture hall or an anatomical school, and the beardless young men who occupied the tiers of seats and desks on the Left might have lent colour to this suggestion, but that their behaviour was far removed from that of men who come to listen or to learn. Observing their fierce minatory gestures, listening to their passionate outcries of derision and protest; noting the nervous, almost hysterical, emotions evoked by their leader's fine frenzy of denunciation at the Tribune, one's thoughts reverted instinctively to the main source of all this eloquence and political upheaval, to the Mountain of the Jacobins and to the Encyclopædists who sowed such fertile seeds of change and unrest; to the intellectual giants, the fierce malcontents, the hungry *sans-culottes* and visionary demagogues of the French Revolution, whose words and works are bearing such strange fruits to-day unto the uttermost parts of the earth. Over against these Jacobins of modern Turkey sat, calm and

dignified, the deputies of the Centre and Right, impressive in themselves, because of the gravity and decorum of their bearing. Many of them wore the conventional frock coats of Western Europe; but the dull glow of red fezes above the black served as an insistent reminder of Islam; whilst sprinkled through the house, were other outward and visible signs of the complexity of the Moslem Empire. Here were the green and white turbans of *ulemahs*, *mollahs*, and *hodjas*; the beards and baggy trousers of a score of *softas*; the gorgeous and gold-braided turbans of deputies from Arabia and Syria, together with a leaven of military uniforms; picturesque and significant features of a gathering that, beneath all its conventions of modernity, conceals the swift currents and deep-rooted passions of antagonistic races and creeds—Jews, Greeks, Albanians, Armenians, Bedouins, and Kurds, all brought here together by permission of the dominant Turk, to work out so much of their destinies as may be solved by panaceas of constitutional procedure.

It was an unusually stormy *séance*, the Opposition and the Independents (elated by recent electioneering successes and by defections from the other side) forcing their attack upon the Grand Vizier with fierce personal invective, bitter irony, and thinly-veiled threats. Speeches by deputies of the Centre and Right were punctuated by hostile interruptions and derisive laughter—forefingers of scorn were pointed to and from all parts of the house; half a dozen heated arguments were often proceeding simultaneously between individual members, either shouting from their seats or gesticulating in the gangways. The simulated fervour of politicians showed many signs of giving place to genuine passions of conflict, and this most noticeably where the cosmopolitan freethinkers of Paris-bred young Turkey attacked the high places of Moslem orthodoxy. Above the tumult and the shouting clanged the noisy futility of the President's bell; while beneath the Tribune, grimly impassive, sat the Dictator of the Revolution, "second

conqueror of Constantinople"—Mahmud Shevket Pasha, Minister of War,—meditating, no doubt, on the strange uses of constitutional government. It was a scene that threw no little light upon the working of the Turkish parliamentary machine; at the same time, it explained Hajji Baba's impression of our House of Commons—"a house of madmen who meet half the year round for the purpose of quarrelling."

As the aged Saïd Pasha made his slow and painful way to the Tribune and commenced reading, in a weary monotone, his platitudinous defence of the proposed modification of the Constitution, the uproar ceased for a little while, hushed partly by the Turk's instinctive reverence for old age, and partly because the Grand Vizier's voice was scarcely audible beyond the front benches. But not for long; the old man, fumbling amongst his papers, began to read for the second time some dreary notes on the Belgian Constitution, and the howls and jeers broke out afresh. As I watched the pitiful figure of the man who had been Abdul Hamid's *âme damnée*, as I thought on the changes which he had seen and suffered since the passing of the autocrat of Yildiz Kiosk, there came to my mind the remembrance of another Eastern premier fallen upon evil days, Prince Ch'ing, Grand Chamberlain, opportunist-in-chief and head squeezer of the Chinese Empire, and I saw him again as he was, a sorrowful and shifty figure, together with his henchman, the Chief Eunuch Li Lien-ying, at the funeral of the Empress Dowager three years ago. The memories thus evoked came as a fitting culmination to emphasise many points of resemblance between the state of Young Turkey and that of Young China, things of which one is first subconsciously aware when the railway carries one through that cutting in the Theodosian Wall which has its exact counterpart in the approaches to the Ch'ien-mên terminus at Peking. The mournful cabbage gardens that find shelter in the No-Man's Land beneath the ancient mouldering battlements; the treeless hills enclosing dusty plains and endless vistas of desolation; the hand-to-mouth existence of hereditary

bondsmen; the pullulating slums, the human scarecrows whining for backsheesh; strange sounds and stranger smells, that suggest the unfathomable depths of Eastern life. All these features of Constantinople, as a permanent and immutable background for the latest manifestations of Europe's dominant but ever-alien civilisation, may be seen and heard by travellers to-day in Peking and the provincial capitals of China.

My thoughts had wandered, far from Saïd Pasha and his apathetic exposition of constitutional government, back to the days when Abdul Hamid and Tzŭ Hsi, all unconscious of impending doom, governed their respective Empires, when suddenly there sat down beside me a Chinese gentleman, middle-aged, soberly dressed in grey silks, tall, dignified and entirely at his ease. He came with the inevitable and irrelevant suddenness of a dream; and it seemed quite fitting that, upon his being seated, several green-turbaned Moslem clerics turned their attention from Saïd Pasha, and came to salute him with the curiously impressive greetings that pass between the Faithful. Engaging him in conversation, I found him to be a native of Peking and a doctor by profession. He had just made the pilgrimage to Mecca, having come from China by sea, and was returning *via* London and the Silberian Railway. As a good Mahomedan, he had done his poor best to grow a beard, an effort which detracted something from an otherwise prepossessing appearance. He spoke Arabic fluently, but no European tongue, and plunged straightway into expression of his deep concern at the progress of the Revolution in China and the dangers threatening life and property at Peking. After satisfying his sundry and manifold inquiries concerning the price of commodities in Europe, the cost of travel by the Siberian route, and the dangers of life in London, I succeeded in directing his attention to the scene before us. His opinion of constitutional government, as a solution of the troubles and adversities of Asiatic peoples, was frankly sceptical. A

Photo, Le Munyon

THE COAL HILL, PEKIN PALACE GROUNDS.

Thrown open to the public after the abdication of the Manchus.

good Moslem, no doubt, and possibly a good doctor, he was evidently no expert politician, but his attitude and views were peculiarly interesting and instructive, if only because there are seven million Mahomedans in China, and their sentiments towards the Government can never be a negligible quantity. He looked down upon the turbulent deputies of the Opposition with the calm detachment of a philosopher, tolerantly contemplating, through this veil of illusion, these "unaccountable, uncomfortable works of God." But at a moment when half a dozen of the malcontents were dancing, gesticulating, and shouting as one man, loudly advising the Grand Vizier to go home and resign, he turned to me and said, "I hear that the Chinese are also to have a Parliament. You English have had one for many years. Is your Parliament just like this?" I think that, to his mind as to mine, there occurred a prophetic vision of Young China, all in frock coats and top hats, howling itself hoarse in denunciation of Prince Ch'ing and the elder statesmen of the Middle Kingdom, for the greater glory and felicity of the Chinese people—but the British vision was clearly beyond his powers of imagination. I told him that, though our methods and manners were still peculiarly our own, the result of democratic principles applied to the art of government are much the same all the world over. This seemed to afford him some satisfaction; but he continued to express deep concern in regard to the Republican movement in China, and admiration for the Turks who, in spite of their revolutionary triumphs, had been wise enough to hold fast to their ancient customs and beliefs in maintaining the monarchical principle. He ridiculed the idea that China could be well and orderly governed by the hot-heads and amateur politicians of the Cantonese party, and spoke bitterly of the excesses and abuses which must follow from their sudden rise to power. "They will eat up the country like locusts," he said, "their destruction will be worse than that of the Boxers." At the back of his mind, no doubt, there lurked an uncomfortable

presentiment of Peking at the mercy of the rabble, visions of the looting mob descending on his defenceless home in Gold Fish Street. These things meant more to him than any theoretical virtues in constitutional government, for which, indeed, he professed no sort of respect.

In considering the present condition of affairs in China, it is natural enough to compare the rapid success of the Revolutionary movement with the triumph of the Young Turks in 1908; and to emphasise the points of resemblance between Young China and Young Turkey. But the resemblant features are essentially on the surface, and there is, I think, a general tendency to exaggerate the permanence and constructive value of the new forces (evoked in both cases by Western learning and economic pressure) and to assume that they are destined rapidly to change national and structural characteristics. In the recent history of the Chinese Empire and of the Revolution (which is no revolution of the Chinese people, but merely the accidental triumph of a body of politicians), there are many episodes and phases for which exact parallels may be found in the recent history of Turkey. Indeed it is impossible to study the evolution and results of constitutional government in the Ottoman Empire, to examine into the fundamental origins of the nation's chronic troubles of disorder and unrest, without perceiving something identical, in causes and effects, not only in China, but in India, Persia, and other parts of Asia. The record of the corrupt Hamidian *régime*, for instance, greatly resembles that of the Court of the Manchus; the words and works of the Cantonese progressives have much in common with those of the Salonika Committee; the inefficiency and corruption of the officials in both countries have greatly contributed to the general rottenness of the State, and the insidious influences of cosmopolitan finance have increased it, steadily aiding and abetting "peaceful penetration" by the Powers that claim the reversion of every Sick Man's heritage. In both countries, much of the first enthusiasm of the common

cause of nationalism has evaporated, exposing predominant motives of personal ambition; in both there are unmistakable symptoms of unreasoning Chauvinism, combined with short-sighted neglect of national and Imperial interests. In both countries (but especially in China) the sincere and unselfish minority has been speedily swamped by place-seeking students and unruly soldiers; the voice of the patriot has been drowned in the clamour of the politician, and the cohesion temporarily inspired by a common cause against the Throne has been followed by a reaction of internal feuds and other forces of disruption.

In these immediate causes and results of revolution, the state of China has therefore much in common with that of Turkey. But these things, as I have said, are on the surface: beneath them, less obvious to the passer-by, but more vitally important, there exist fundamental differences in the structural and political character of the two races (as well as in their environment) which, in determining their respective destinies, must eventually outweigh the temporary and semi-accidental ascendancy of any particular class of politicians. The instincts and traditions of Asiatic races cannot be suddenly changed by the drafting of a Constitution; in the long run, every nation gets the government it deserves, all political *quid nuncs* to the contrary notwithstanding.

Amongst the important differences between the Turkish nation and the Chinese, the most conspicuous lies in the fact that whereas the Chinese are a homogeneous people, bound together by community of traditions, laws, and literature, the Turks of the Ottoman Empire are practically an army of occupation, environed by subject races, more or less hostile. The spirit which moves Young Turkey is a spirit of militant Ottomanism; the spirit which moves Young China, *pace* the firebrands of Canton, is a doctrinaire spirit of political speculation. The dream of the Young Turk is to restore the military power and prestige of the Empire, undermined by the pernicious rule of Abdul Hamid: to

recover Bosnia and Bulgaria and Crete. The ideal professed by Young China is rather that of the Hague Conference and Count Tolstoi, an ideal of peace founded on reason, together with universal recognition of the intellectual and moral superiority of the Chinese race. The Young Turk hopes in time to abolish the Capitulations and to obtain tariff autonomy, for the greater glory of Islam and the defenders of the Faith; Young China cherishes similar hopes, but chiefly in view of the lucrative opportunities thereupon depending. The Turkish Revolution was accomplished by the army, loyally fulfilling the purposes of the nation; the Chinese Revolution was the work of students, journalists, and mandarins, effected almost without fighting; and the army of the Republic now constitutes its chief danger.

Another fundamental difference between the races, far-reaching in its political results, lies in the deep-rooted religious faith of the Turkish people, and the agnostic indifference of the Chinese. The Mahomedan faith gives something more than dignity to the true believers; the Koran and the Sacred Law are the inspiration of the nation's unity: the Sword and the Banner of the Prophet are the strong bulwarks of its defences. For the Chinese, hereditary agnostics and passive resisters by instinct, such a thing as a Holy War is inconceivable—the folly of outer barbarians. But it is because of their religious faith that the Turks have clung to the things which still hold the Empire together; to the Heir of Osman on his sacred Throne, to the observances and feasts of the Law, to reverence of elders, and to discipline. All these things, together with the ethical restraints of Confucianism, Young China would cast by the board, letting the ship of State drift rudderless on perilous seas, hoping somehow and some day to reach the Utopian Lotus-land of its imagination. Moreover, because in Turkey experience and wisdom count for more than enthusiasm, and because the final control of Government rests with the Elder

Statesmen, it is possible for the Porte, without loss of prestige, to avail itself of the services of foreign advisers for the adjustment of its finances, for the supervision of its revenues, and even for the restoration of order in its disaffected provinces, giving to these advisers a free hand within reasonable limits of authority and deriving from their services no small profit, as in the case of the Customs. In China, the classes at present dominant are so deeply imbued with the self-sufficiency and the valour of ignorance, that the employment of Europeans in any position of authority is regarded as quite unnecessary waste of money and loss of "face." That the Powers should even suggest supervision over the expenditure of borrowed capital is construed as a direct violation of the Republic's "sovereign rights," besides being a clear loss of the individual opportunities of patriots.

In discussing political and economic questions with the Progressives of China and Turkey alike, one finds at every turn deep traces of the influence exercised on their minds by the philosophers and essayists of the French Revolution, and by the later political economists of England. The works of John Stuart Mill, in particular, are well known to Eastern students (though more especially in India and China), the directness and lucidity of his inductive logic and the benevolence of his philosophy appealing powerfully to the Oriental mind. But the Chinese student, like other men, is apt to find in the works of the wise men of the West, those things which his own preconceived ideas impel him to seek—the things which justify his own conclusions. Therefore, we find the influence of Mill directed chiefly into channels where, meeting with that of Rousseau and Burke, it flows towards the uncharted storm-tossed sea of Liberty, Equality, and Fraternity; whilst those things which would seem to have been specially written for the learning of Young China, are rarely quoted by its public speakers and writers. Take, for instance, the question of the abolition of the Monarchy,

settled (for the time being) by a handful of Cantonese students, upon democratic principles derived from American text-books; or the correlated question of the fitness of the Chinese race for representative government. Many passages might be cited from Mill's essay on the latter subject, which should give pause to the enthusiasts who believe that a new era has dawned for China with the proclamation of the Republic. The following quotations will serve, taken from the chapter headed "Under what social conditions representative Government is inapplicable":

"The same passages of history forcibly illustrate another mode in which unlimited monarchy overcomes obstacles to the progress of civilisation which representative government would have had a decided tendency to aggravate. One of the strongest hindrances to improvement, up to a rather advanced stage, is an inveterate spirit of locality. Portions of mankind, in many respects capable of, and prepared for, freedom, may be unqualified for amalgamating into even the smallest nation. Not only may jealousies and antipathies repel them from one another, and bar all possibility of voluntary union, but they may not yet have acquired any of the feelings or habits which would make the union real, supposing it to be nominally accomplished. They may, like the citizens of an ancient community, or those of an Asiatic village, have had considerable practice in exercising their faculties on village or town interests, and have even realised a tolerably effective popular government on that restricted scale, and may yet have but slender sympathies with anything beyond, and no habit or capacity of dealing with interests common to many such communities.

"The third cause of failure in a representative government is, when the people want either the will or the capacity to fulfil the part which belongs to them in a representative constitution. When nobody, or only some small fraction, feels the degree of interest in the general affairs of the State necessary to the formation of a public opinion, the electors will seldom make any use of the right of suffrage but to serve their private interest, or the interest of their locality,

or of some one with whom they are connected as adherents or dependents. The class who, in this state of public feeling, gain the command of the representative body, for the most part use it solely as a means of seeking their fortune. If the executive is weak, the country is distracted by mere struggles for place; if strong, it makes itself despotic, at the cheap price of appeasing the representatives, or such of them as are capable of giving trouble, by a share of the spoil; and the only fruit produced by national representation is, that in addition to those who really govern, there is an assembly quartered on the public, and no abuse in which a portion of the assembly are interested is at all likely to be removed."

and

"A people are no less unfitted for representative government by extreme passiveness and ready submission to tyranny. If a people thus prostrated by character and circumstances could obtain representative institutions, they would inevitably choose their tyrants as their representatives, and the yoke would be made heavier on them by the contrivance which *prima facie* might be expected to lighten it."

To sum up. The Turkish Revolution was a movement effectively organised against the real tyranny of a corrupt and vindictive ruler by the leaders of a highly centralised military Power; its objects were not to destroy the social structure of the dominant race, but to solidify its authority and to conciliate or divide the non-Turkish elements in the State. To this extent, it was a revolution justified by necessity and, to some extent, by its results. The Chinese revolution has grown out of the accidental success of an insignificant local rebellion, precipitated by the moral and physical helplessness of rulers who had lost all capacity for ruling. Destitute of constructive genius, without authoritative leaders or permanent elements of cohesion, the Chinese Republic has been suddenly conferred upon a people that neither wants nor understands representative govern-

ment. Under such conditions, it would seem as if only a miracle, in the shape of a strong leader endowed with extraordinary political wisdom—a Chinese Charlemagne or Peter the Great—can save the nation from a period of disorganisation and disruption. But the ultimate cohesion of the Chinese race has survived many such periods.

CHAPTER VII

THE MAKING OF THE REPUBLIC

If, as I have endeavoured to show, the inauguration of the Republican idea of Constitutional Government in China can only mean, in the present state of the people, continual transference of an illegal despotism from one group of political adventurers to another, the pretence of popular representation serving merely to increase and perpetuate instability, it follows, as an inevitable conclusion, that the establishment of a Republic is either a tragedy or a farce. The idea of evolving from existing Chinese institutions a representative government, based on democratic principles similar to those which obtain in Switzerland or the United States, is palpably absurd; the vision of a Republic framed on the military dictator models of Mexico or Uruguay, opens up an intolerable prospect of brigandage and bloodshed in which the civilised Powers, for their own sake, must needs intervene. We may therefore regard the Republic of China as an accidental and transient phenomenon, which must be replaced within the near future, either by the absolute monarchy of the Man of Destiny, for whom the orthodox reformers wait, or by a limited monarchy, tempered perhaps by cautious experiments in Constitutionalism. The Republic is in itself politically unimportant, in the sense that it can leave no permanent mark upon the social and political structure; nevertheless,

the immediate causes of its establishment and certain of its direct results are not unworthy of attention.

In the first place, it is to be observed that, even amongst Sun Yat-sen's advanced vanguard of Cantonese reformers, there had never been any generally declared intention of replacing the Manchus by a Republic until some five weeks after the outbreak of the successful (but evidently accidental) revolutionary movement at Wuchang in October, 1911. In the several local risings and abortive rebellions of the Triad Society and Kao-lao-hui of the Kuang provinces, beginning with the attempt to capture Canton in October, 1895, and ending with the assassination of the Tartar General and the burning of the Viceroy's yamên in April, 1911, the declared aims of the revolutionaries were anti-dynastic, but at no time Republican. In 1895, when the "Young China" party was definitely organised at Canton, its object was the establishment of Constitutional Government on lines similar to those of K'ang Yu-wei's reform movement of 1898. When, coincident with the outbreak of the rebellion at Wuchang, the Cantonese revolutionaries became active, there was still no question of a Chinese Republic. The movement then assumed a purely provincial form, self-government for Kuangtung being the order of the day. On October 28th, the flag of independence was hoisted over a section of the Native City, and the Manchu garrison came to an amicable arrangement with the "reformers," pending consideration of the latter's proposals for a mutually satisfactory change in the form of government. As the utter helplessness of the Manchus and the general disorganisation of the Government became more apparent with every success of the Yangtsze rebels, the programme of the Radical extremists, supported by the Americanised Chinese of the Pacific coast, became gradually bolder and more aggressive, but it was only at the beginning of November that the idea of a Chinese Republic found definite expression, supported by Li Yuan-hung, (under compulsion) at Wuchang, and by influential bodies of

disaffected mandarins at Nanking and Shanghai. Up to this time, all the activities of Young China had been steadily directed towards acceleration of the Government's programme of Constitutional Government and the convening of a National Parliament under the Monarchy. The editorial and political notes of the *World's Chinese Students' Journal* contain irrefutable evidence that, until the abdication of the Regent (December 6th), the idea of a Republic had not been seriously entertained by any section of the reform party. Until the very last, indeed, this organ of Young China continued to express its loyalty to the Manchus and its warm approval of their enlightened Liberal policy. It was only when the terrorised Throne, on November 5th, issued a humiliating edict recognising the "Ko Ming t'ang' Revolutionary Society as a regular political party, entitled to a voice in the government of the country, that the extreme Radicals realised, and promptly seized, their opportunities of attaining supreme command of the situation. Sun Yat-sen's party in the south, and General Li Yuan-hung at Wuchang perceived that, thanks to the sympathetic attitude of the European communities at the Treaty Ports and the chaotic demoralisation of the Manchus, only a strong policy was needed to carry the day. The Manchus were clearly doomed, and the position was at the mercy of the first bold stroke.

Up to this point, the National Assembly, recognised by the Throne as the elected representatives of the nation, though aggressively progressive, had adhered to the Constitutional programme. On November 5th, however, simultaneously with the passing of the native cities of Shanghai, Suchow, and Hangchow to the revolutionaries, the Assembly was denounced by the rebel leaders of several provinces for having failed to represent the true wishes of the nation. At the same time, a Republican Committee was definitely organised at Shanghai under the leadership of Wu Ting-fang, Wen Tsung-yao and Li Ping-shu, well-

known men whose claims to distinction rested as much on their careers as mandarins as on their Liberal views.

Thereafter, the stars in their courses fought for the Republicans—a small body of visionaries and place-seeking politicians. The history of their successes, from this time forward until the 10th of March, when Yuan Shih-k'ai took the oath as Provisional President of the Chinese Republic, may be described as a chapter of accidents. At any moment in those four months, a little courage in the Manchu camp, a little luck—above all, a little intelligent appreciation of the situation by the British Government—might have enabled Yuan to check the tide of disaffection and to carry out his statesmanlike policy of a limited Monarchy, pledged to gradual and constitutional reforms. Had there been a strong Viceroy at Wuchang, had T'ang Shao-yi been faithful to his trust as Imperial delegate to the revolutionaries; above all, had Yuan been able to obtain from the foreign banks the sinews of war upon which the whole situation depended, there can be but little doubt that the Republican programme would have received its quietus and that the revolutionary leaders would have been welcomed into the official fold of a chastened and reformed Monarchy. The Republic is the offspring of unexpected opportunity, out of sudden chaos; accidental in its birth, and foredoomed to early demise.

YUAN SHIH-K'AI'S POLICY.

For, whatever may be the shortcomings of Yuan Shih-k'ai from the European standard of political morality, there is no denying his masterly grasp of the situation from the very outset of the revolution. He knew full well the hopelessness of the Republican dream, knew how insignificant and ephemeral were the forces behind Sun Yat-sen's grandiloquent boasts. On the 20th of November, at an interview given to *The Times* Correspondent, he stated fully and

frankly the reasons which led him to advocate retention of the dynasty in the person of the child Emperor. For him, the institution of a Republic meant "instability of a rampant democracy, of dissension and partition." The country at large would never support the revolutionaries. If they should succeed in overthrowing the dynasty, the results would be chaos, "amidst which all interests would suffer, and for several decades there would be no peace in the Empire." He endeavoured to dissuade Dr. Morrison from his enthusiastic support of Young China and the Republic, observing that the unpopularity of the Manchus constituted a sentimental objection which would quickly be removed if, as he proposed, "the reigning family were deprived of all power to renew the misgovernment of the past, retained only as an emblem of Monarchy." He appreciated clearly the significance of the dissensions which were already beginning to divide the followers of Sun Yat-sen at Nanking from the Moderate Reformers of Shanghai and Wuchang, and he expressed his opinion that "views of the North cannot be reconciled with that of the South. Their aims are widely divergent."

Even after the National Assembly had been repudiated by the Nanking Republicans, Yuan with consummate ability continued his fight, almost single-handed, for the only practical solution of the problem; and he would have won if T'ang Shao-yi, as Imperial delegate to the revolutionaries, had not betrayed his confidence, and if he had received from the British and American Governments the support which he had every right to expect. For the solution of the crisis in December depended essentially upon his obtaining a foreign loan. Had he obtained it, not only would public opinion in the South have given him credit for prestige abroad, but many waverers would have immediately joined themselves to him as the ultimate dispenser of loaves and fishes. Yuan, past-master in the arts and crafts of Chinese politics, knew when, on the 27th of October, he

accepted full powers to deal with the insurrection, that his failure or success must depend upon his command of funds. The army and the vast majority of officials would always follow the command of the purse, and the "stupid people," as usual, would follow their leaders. Therefore, before emerging from his retirement at the bidding of the Regent, Yuan demanded—and received—assurances from the National Assembly and from his foreign friends, that the sinews of war would be forthcoming. A provisional agreement for a loan of six million pounds was on the eve of signature between the Ministry of Finance and Baron Cottu; the attitude of the "Four-Nations" group, though hampered by conflicting instructions, had been generally sympathetic; there were tentative proposals for loans from other quarters, and Yuan had received unofficial, but definite, assurances from more than one Legation that the necessary financial support would be forthcoming. It is safe to say that he would never have accepted the difficult and dangerous task of upholding the Monarchy had he not felt sure of obtaining funds. To Great Britain, in particular, he looked with complete confidence, believing that, whatever political influences might be exerted to withhold the assistance of other Powers' official finance, the Government which had consistently advocated his recall to power would not leave him in the lurch at so desperate a crisis. As events proved, however, the Diplomatic Body at Peking displayed an almost unanimous consensus of opinion in favour of supporting Yuan Shih-k'ai, and it was chiefly because Great Britain's predominating influence was finally exercised in favour of impartial neutrality, that his policy of maintaining a limited Monarchy collapsed and compelled him, with the best grace possible, to accept the Republic. He was defeated, not by any statesmanship of the revolutionaries, but by an empty treasury.

It is just possible that, even with sufficient funds, Yuan might have failed to stem the tide of disaffection, which had

swollen rapidly during the fortnight that he had permitted to elapse between the Throne's urgent call and his acceptance of the Premiership. It is possible that, in the long run, the nation's prospects of internal peace are likely to be increased by demonstration of the practical results of Young China's political extravagances. Out of this evil may spring good, if the nation at large has been brought to perceive, even dimly, that no healing virtue lies in calling old things by new names. Nevertheless, the process of reconstruction has been rendered doubly difficult by reason of the chaos and destruction that have followed the birth of the Republic, and from the standpoint of international politics it must remain matter for regret that Great Britain failed to act on the initiative proposed by Japan in December, and definitely to intervene in support of Yuan's policy.

Yuan arrived at Peking on October 27th, to find that the financial situation had become desperate. With difficulty he succeeded in extracting from the Empress Dowager's Palace hoard a million taels for the immediate payment of loyal troops at Hankow. Baron Cottu's financial schemes were rapidly becoming hopeless, owing to the French Government's exclusive support of the "Four-Nations" group and its refusal to allow his proposed loan a quotation on the Bourse. The British Foreign Office, while supporting the action of the French Government and the official group, had been seriously impressed by the vigorous Press campaign instituted by the leaders of the Republican party at Shanghai and by their open threats that anti-foreign risings and trade boycotts would follow any financial help given to the cause of the Monarchy. "Any defeat of the revolutionary plans," said Dr. Wu Ting-fang in a telegram published in the European Press, "would be placed by the Chinese people at the door of the foreigners who aided the other side with money." After a fortnight of fruitless efforts to raise money from several independent financiers, during which time several Legations (notably the

American) were urging their Governments to come to the assistance of the Monarchy, Yuan found himself confronted by a stone wall of "benevolent neutrality," which the vernacular Press unanimously interpreted as implying sympathy for the objects of the revolutionaries.

BRITISH POLICY.

The motives which influenced Great Britain's decision at this juncture will be considered in another chapter. For the present, it is sufficient to observe that the policy adopted was local and commercial, rather than Imperial and political. A crisis which called for thinking in continents, for the widest possible outlook, was approached and handled in a spirit of nervous vacillation and commercial timidity. Once more, hope triumphed over experience; once more it was demonstrated that our Far Eastern policy is never a matter of "intelligent anticipation" and statecraft, but an erratic line, determined from day to day by accident or sentimental considerations or the opinions, not always disinterested, of influential persons.

In the present instance, the views which chiefly influenced the attitude of the British authorities were, no doubt, the fact that the mercantile communities and the Press of the Treaty Ports, as well as the missionaries of the interior, were, almost unanimously, warm supporters of Young China and the Republic, and loudly protested against the Diplomatic Body's proposals to support Yuan Shih-k'ai's limited Monarchy. This widespread sympathy—which, in certain instances, led to open support of the revolutionary cause by responsible officials—reproduced a situation very similar, in causes and effects, to that which obtained at Shanghai, on a smaller scale, at the beginning of the Taiping rebellion. The explanation of this condition of affairs is complex. In the first place, disgust at the inefficiency and cowardice of the Manchus induced in foreigners, as well as in Chinese, a general

hope that some sort of improvement must result from their removal, on the general and common principle that any change must be for the better. The average merchant at the Treaty Ports, knowing little or nothing of the conditions of life in the interior, was disposed to accept the views of Young China's reformers, many of whom were, to all intents and purposes, foreigners. It must also be observed that, as far as the average Anglo-Saxon in China is concerned, very few, with the exception of officials and missionaries, concern themselves closely with the internal politics and party factions of the Chinese, except in so far as they directly affect trade. The language difficulty, and the unseen social barriers which divide East from West, leave the average European of the Treaty Ports in easy-going ignorance of the strength and direction of the forces at work all around him. He is content, as a rule, to trade and to play, and to take the Chinese, their rebellions, politics, and permanent unrest for granted. Add to this the instinctive sympathy of the Anglo-Saxon for the under-dog, and a widespread belief that trade stood to gain by the passing of the Manchu rule, and the result will fairly represent, I believe, the attitude of the mercantile community in October and November, 1911.

THE ATTITUDE OF THE FOREIGN COMMUNITY IN CHINA.

Behind this, perhaps no less important, were certain motives of expediency, not to say of self-preservation. It must be borne in mind that the public opinion of foreigners in China originates almost entirely at the Treaty Ports, and that these Settlements are at the same time the breeding place and stamping grounds of Young China. Now, amidst all the welter and confusion following the outbreak of the rebellion, Young China had displayed a somewhat remarkable capacity to control the disciplined troops of the insurrectionary party, by means of its close affiliation and influence with their foreign-drilled officers, and it had, moreover, clearly

intimated that upon its future goodwill would depend the lives and property of Europeans in the interior. The protective value of that goodwill, shown to foreigners as the price of non-intervention, was undeniable, and it was therefore natural enough that the sympathies of Europeans should be displayed on the side of the insurrection. Self-preservation alone, without looking for interested motives, would commend that course to every merchant and missionary at the Treaty Ports and in the provinces. But the missionaries had other good reasons for sympathising with Young China. In the first place, much of the Western learning, which is the hall-mark of the revolutionary, had been acquired in Mission schools, the American-educated Celestial youth being particularly cocksure of his views on the rights of man in general and himself in particular. Then, too, the Republican party made a forcible appeal to the sympathies of the missionary world, in view of the fact that Dr. Sun Yat-sen, its first President, professed Christianity—there was no limit to the pious hopes that might be, and were, founded on this auspicious fact. And yet, for anyone who had a taste for history, there was something ominously reminiscent of the Taiping Rebellion in this association of Christianity with the beginnings of the Republican movement. The picture of Dr. Sun Yat-sen, Christian President of the Chinese Republic at Nanking, surrounded by Japanese advisers, students and generals, irresistibly brought back to mind that tinsel court of the Heavenly King at Nanking forty-eight years ago.

The sympathy of Protestant missionaries for the new dispensation, general and thoroughly sincere, found its natural reflection in the foreign newspapers of Shanghai and the Treaty Ports, for the reason that most of their correspondents in the interior are necessarily missionaries. Apart from this, however, the mercantile community's opinions, as expressed in these newspapers, were at first unanimously in favour of the party which had so long proclaimed in vain its desire

for reform; moreover, there is always something that appeals to human nature in the idea of shouting "*Le Roi est mort, vive le Roi!*"

As to the manner in which the Republican movement was represented in the Press of England and the United States, no small factor in determining the Powers' attitude of benevolent non-intervention, was the fact that most of the views upon which public opinion was at first formed were characterised by vague sentiment rather than by any well-balanced critical faculty or historical judgment of the vital issues involved. Too close a perspective of the men and motives of the moment tended to obscure these issues and to prevent the philosophical detachment necessary to the just perception of cause and effect. But the factor which chiefly contributed to the failure of Yuan Shih-k'ai's policy was the part played by T'ang Shao-yi, Yuan's most brilliant lieutenant and by far the most distinguished of the American-educated Cantonese who had risen to high office under the great Viceroy.

THE POLICY OF T'ANG SHAO-YI.

Foreigners in China who knew him well, the present writer included, had always held him in high esteem, not only for his exceptional abilities, but for his courageous disregard of official conventions, his frankness and apparent sincerity. He was clannish after the manner of the Cantonese, and "slim," with the slimness of the Mandarin, in negotiations; but his reasonableness in argument, the exceptional knowledge of affairs which he displayed during his term of office at the Ministries of Foreign Affairs and Communications (1905–7) and the prominent part he took in leading the anti-opium legislation in Peking, had earned for him the admiration of his countrymen and the respect of the Legations. But just as the part played by Yuan Shih-k'ai in betraying the Emperor in 1898 has never been forgotten or forgiven by the Moderate Reformers of that

period, so the part played by T'ang Shao-yi as Yuan's delegate to the Revolutionaries in December, 1912 (not to mention his handling of the loan negotiations and his sudden exit from the capital while holding office as Premier in June), has greatly damaged him in the eyes of Chinese and foreigners alike. Where the Chinese, and even his own fellow-provincials, are unable to agree on any satisfactory explanation of his extraordinary *dégringolade*, it is difficult for a foreigner to account for it; but putting the most charitable construction on his actions, and considering them in the light of all the known facts, the conclusion seems at least plausible that he was led astray, towards dizzy heights of personal ambition, by the fascination of Sun Yat-sen's political will-o'-the-wisps, by a desire for revenge upon the Manchus who had humiliated and injured him, and by the influences brought to bear upon him by the advanced Radicals of the T'ung Meng-hui. For T'ang, even at the height of his official career under the Monarchy, was always a Cantonese first and a Chinese official afterwards. In judging of the bad faith, which characterised his Imperial mission to the Shanghai and Wuchang revolutionary leaders, allowance must be made for the temptations of a situation offering almost limitless possibilities to a man of unusual intelligence, whose whole life had been spent in an atmosphere of treasons, stratagems and spoils. Tried at a sudden crisis, his vaulting ambitions seem to have dominated his loyalty and his prudence, and in his haste he failed to grasp the essentials, and to master the details, of a highly complex situation. For all his astuteness, T'ang Shao-yi's character was ever impulsive, not to say wayward. As Governor of Fengtien, he displayed unusual energy and initiative, combined with the Oriental's fatalism, and a curious disregard for the practical side of questions in which his sympathies or antipathies were aroused.

Yuan Shih-k'ai returned to Peking on the 13th of November, after his attempt to induce the Revolutionaries

at Hankow to accept a Constitutional Monarchy. T'ang Shao-yi reached the capital a few days later, and despite his avowed loyalty to Yuan, was unable to conceal his sympathy with the Republicans. In the loan negotiations, to which all Yuan's energies were directed, he exhibited from the outset his desire, traditional with the Ministry of Communications, to induce cut-throat competition amongst the foreign capitalists, disregarding for that purpose actual and sentimental obligations. On the 16th of November Yuan opened direct negotiations with the "Four Nations" group of bankers. T'ang advised him against this course, on the ground that the financiers represented in reality the political ambitions of foreign Powers, and that their conditions, involving supervision of expenditure, were incompatible with the dignity of a sovereign State. Here, evidently, spoke the T'ung-Meng-hui, voicing Kuangtung's aspirations towards financial autonomy. On the 20th of November T'ang called on Prince Ch'ing, President of the Privy Council, and advised him that the only way to avoid further bloodshed was for the Government to consent to abide by the results of a national *plébiscite* on the question of Constitutional Monarchy or Republic. Here again spoke the T'ung Meng-hui, for none knew better than T'ang that a *plébiscite* in China is no more possible than a general election. Prince Ch'ing refused to entertain the suggestion, and T'ang retired to his private house at Tientsin. On the 26th of November, the Imperialist success at Wuchang infused new hope into the Monarchist cause. The revolutionary Commander, Li Yuan-hung, expressed his readiness to accept the terms originally proposed by Yuan, and it was hoped that, by his influence, the Southern provinces would agree to a limited Monarchy, on the understanding that all Manchu privileges would be abolished. It was at this critical juncture that Yuan decided to send T'ang Shao-yi to the Yangtsze to negotiate, as Imperial delegate, for a settlement on these lines, and it is at this point that doubts have arisen in certain

quarters as to the sincerity of Yuan's own policy; for he had certainly had dealings with Sun Yat-sen's party, and he must have been aware of T'ang Shao-yi's Republican proclivities.

On November 30th, an armistice having been arranged at Wuchang by the good offices of His Majesty's Consul General Mr. Goffe, Li Yuan-hung held a conference with the assembled delegates of eight provinces. T'ang Shao-yi left Peking for Hankow on the 8th of December. The Revolutionary party at Nanking had expressed the significant wish that he should go alone; also that the Conference should be held not at Hankow, but at Shanghai. (Li Yuan-hung's intimate personal relations with Yuan and his recently avowed policy of conciliation sufficiently explained this attitude). Nevertheless, Yuan insisted on T'ang's being accompanied by several Government and provincial delegates. To a foreigner who came to the railway station to wish him a successful journey, T'ang's last word was "The only solution will be a Republic."

The results of negotiations opened under such auspices were a foregone conclusion. On the 11th of December, the Revolutionary leaders at Shanghai declined to recognise Li Yuan-hung as competent to negotiate on their behalf, and it was therefore decided that T'ang Shao-yi should proceed to Shanghai and hold the Conference there. As an immediate result of this moral victory, and of T'ang Shao-yi's obviously sympathetic attitude, the tone of the native Press, which, a week before, had been conciliatory and disposed to compromise on the question of the Monarchy, became boldly Republican, whilst the leaders of the party at Shanghai sent telegrams to Yuan urging him to accept the Presidency. Meanwhile, on the 6th, the Regent had resigned.

THE FOREIGN LOAN QUESTION.

So soon as it came to be understood that negotiations with the South were about to be held in a reasonable spirit

of conciliation, Sir John Jordan, at Peking, on the 6th of December, informed the agent of the British financial group that he considered the moment opportune to advise the British Government to support a loan to Yuan. Following upon this intimation, the Peking representatives of the "Four Nations" group held a meeting and arranged to telegraph to headquarters, urging that the matter be quickly dealt with. But the situation had reached a stage at which the rapidity of each day's changes precluded all hope of successful negotiations for a Government loan. Long before the Peking bankers could receive definite instructions as the result of consultation between the groups, the British Minister's hopes of a compromise between the Republicans and Yuan had dropped to zero. There is reason to believe that, at this juncture, as indeed throughout the revolutionary crisis, his attitude and actions were considerably affected by those of *The Times* correspondent, whose repeated declarations of sympathy for Young China and the Republic, reproduced daily throughout the Press of the world, undoubtedly exercised a very powerful influence, not only on the judgment of the Foreign Office and the Legation, but upon the attitude of the Republican leaders themselves. The Shanghai Chamber of Commerce and other influential bodies were moreover continuing to oppose every suggestion of supporting the Government. Sir John Jordan, divided, therefore, between his own judgment of a situation which he had correctly gauged, the opinions of his nationals, and the instructions of the Foreign Office (chiefly concerned for the protection of traders' and bondholders' immediate interests), proceeded to discuss the matter with his diplomatic colleagues of the "Four Nations." At this point, the international aspect of the proposed loan asserted itself acutely, as a result of which the Russian and Japanese Ministers took part in these diplomatic *pourparlers*. The question of the loan to Yuan as a matter of urgency was speedily lost in mazes of diplomatic circumlocution and

futilities, and the net outcome of many good intentions was a Joint Note, transmitted through the Consuls-General at Shanghai to the Peace Commissioners on the 20th of December, in which both sides were urged to come speedily to a reasonable understanding. This Joint Note, representing the collective intelligence and initiative of the six Great Powers, was intended to combine the expression of benevolent neutrality with an intimation that foreign interests were closely involved in the dispute.[1] Its immediate effect, however, was to add prestige to the Revolutionary cause, for the action of the Powers was naturally construed by its eaders and by the Press as an official recognition of the Republicans as belligerents. Two days later *The Times* correspondent, then on a visit to the Treaty Ports of the Yangtsze, reported that the action of the Powers had greatly strengthened the Revolutionary movement. The only thing which, up till this moment, had prevented the complete triumph of the Republicans and the collapse of Yuan's last resistance, was the knowledge that Japan had for some time been urging her ally to support the Prime Minister in defence of the monarchical principle. The Japanese Government's adherence to the Joint Note was accepted as proof that this policy had been definitely abandoned. "Benevolent neutrality" had played its part, and T'ang Shao-yi's arrival on the scene, as Imperial delegate, was the end of the Imperialist cause.

THE PEACE CONFERENCE.

The Peace Commissioners met at Shanghai on Monday, the 18th of December, Wu Ting-fang acting as chief repre-

[1] "Maintaining the attitude of absolute neutrality which they had hitherto adopted," these Powers "deemed it their duty unofficially to call the attention of the two delegates to the need of arriving, as soon as possible, at an understanding calculated to put an end to the present conflict, being persuaded that this view was in accordance with the wishes of the two parties concerned." To call the attention of two parties to the necessity of acting upon their own wishes seems, undiplomatically speaking, a futile proceeding at best.

sentative of the Republican Provisional Government and T'ang Shao-yi as Imperial delegate. Prior to T'ang's arrival at Shanghai and to the presentation of the Six Powers' Joint Note, the issues remained uncertain, the armistice, which left each side's forces in occupation of its own ground, having been extended to permit of negotiations, and General Li's intentions, as regards acceptance of Yuan's proposals, remaining a matter of uncertainty. Had the Conference been held at Wuchang, as Yuan Shih-k'ai and General Li desired, it might well have ended in accordance with the Prime Minister's wishes. Up to the very last (until the 16th of December, in fact) he continued to press Wu Ting-fang and the Shanghai and Nanking delegates to come to Wuchang, but in vain. There can be no doubt, in the light of subsequent events, that the Imperial delegate supported the demands of Wu Ting-fang that the Conference should be held at Shanghai. General Li is a Hupeh man. Dr. Wu Ting-fang and Wen Tsung-yao, the Shanghai leaders, are Cantonese. It was just as well, in establishing a Republic, to keep the direction of affairs in the right hands.

T'ang Shao-yi, with characteristic frankness, made no secret of his Republican sympathies. On the 22nd of December, while a semblance of negotiations was being kept up, for "face-pidgin" purposes, between parties whose purposes had been identical from the outset of the Conference, *The Times* correspondent, telegraphing from Shanghai, observed that "no surprise is felt here, nor among his friends, that T'ang Shao-yi should have so early declared Republican sympathies. Ardently desiring to prevent further bloodshed, and convinced that the majority of the people will accept no compromise involving the retention of a puppet Emperor of a despised and distrusted dynasty, he has taken the only possible course and given his adhesion to a Republic." It is significant of Chinese political morality that the vernacular Press, as a whole, should see nothing

irregular in T'ang Shao-yi's acceptance of the duties of Imperial delegate under such conditions.

NATIONAL CONVENTION PROPOSED, TO DECIDE ON FORM OF GOVERNMENT.

The effect of the situation at Shanghai reacted immediately upon the North. The tone of the Press became violently revolutionary, and papers that had hitherto supported the Monarchy changed front and joined the winning side. Yuan Shih-k'ai, who still adhered to the monarchical idea, was threatened with assassination. Meanwhile the farcical negotiations continued, the Republicans' demands being obviously stiffened by the information and advice tendered by the Imperial delegate. There is evidence to show that, until T'ang Shao-yi's arrival on the scene, a number of the Shanghai revolutionaries, including Wu Ting-fang, influenced by the recent success of the Imperialists at Wuchang, were ready to discuss a settlement on the lines proposed by Yuan Shih-k'ai. T'ang Shao-yi was openly in favour of the Republican programme —at the first meeting of the Conference he "concurred in the views expressed by Wu Ting-fang," which he subsequently embodied and supported in a Memorial to the Throne, that the question of "Monarchy or Republic" should be referred to a National Convention, composed of delegates from the provinces and dependencies. At the same time, he telegraphed to the British and American Ministers and to the representatives of the "Four Nations" group, strongly urging that no loan should be made to Yuan Shih-k'ai, on the ground that an anti-foreign outbreak would inevitably result. The Shanghai Chamber of Commerce supported these views, and several influential Europeans assisted in bringing pressure to bear at Peking. Yuan Shih-k'ai, bowing to the inevitable, agreed, and on December the 28th an edict was issued in reply to T'ang

Rebel Maxim Gun in Action, Nanking.

Photo, Camera Craft Co.

Taking a Prisoner to Execution, Tientsin, March 1912.

Shao-yi's Memorial, intimating the Throne's willingness to abide by the decision of the proposed Convention. This was the death warrant of the Monarchy. The Republic became henceforth to all intents and purposes an accomplished fact, and its final triumph was due to the man who had undertaken to uphold the Imperial cause.

At the end of December T'ang Shao-yi, evidently bent on consolidating the Republican position, agreed with Wu Ting-fang that, pending the National Convention's decision as to the future form of Government, "the Manchu Government should not accept, or attempt to obtain, foreign loans." There was clearly no immediate prospect of a Convention; this condition therefore condemned the Central Government to insolvency for an indefinite period, whilst opening up visions, grateful and comforting to Shanghai and Nanking, of provincial loans. This was bad enough; but he further pledged the Government to the evacuation by the Imperialist forces of Hankow and Hanyang, the scene of their recent successes. This, in view of the specific terms of the armistice, was nothing short of treachery, committed with the obvious intention of taking all spirit out of the loyalist troops. This graceful concession produced an indignant protest from the commanders of the Imperial forces in the North and from the few Manchus whose attention was not concentrated on their personal fortunes. T'ang, severely attacked, tendered his resignation, which was accepted by the Throne and by Yuan Shih-k'ai on the 2nd of January. His work was done. He could afford to rest on his laurels and await the reward of his services to the Republic.

Meanwhile, Sun Yat-sen, generally acclaimed as the originator of the Republican programme, had arrived in Shanghai on Christmas Eve, and had been elected Provisional President of the Republic by the delegates assembled at Nanking. These and their friends at Shanghai desired that the Convention should be held at once, and at Shanghai.

Yuan, fighting in his last ditch, objected to the proposal on the ground that there could be no independent voting in so prejudiced an atmosphere. It soon became evident, however, that the whole idea of the Convention was an extremely skilful move on the part of T'ang Shao-yi and the Shanghai Republicans, serving to deprive the Central Government of all hope of a foreign loan and making it "lose face" with the loyalist troops. As practical politics, there could be no more hope of the Convention's assembling than there is in England of the Liberal party's early fulfilment of its undertaking to re-constitute the House of Lords. The Throne's acceptance of the proposal for a Convention was, as I have said, its death warrant. Within a week of the issue of the Edict, the Convention had been dropped by mutual consent; and from all sides came loud demands for the abdication of the Throne. Again the usual machinery came into play. Again the sympathies of European residents were involved; again the Chinese Chamber of Commerce addressed telegrams to all concerned. Wu Ting-fang, in daily telegrams to Yuan, asserted the unshakable decision of the nation "to accept no form of government other than a Republic based upon the will of the people," his efforts being ably seconded by a local Press that was rapidly learning the arts and crafts of Republicanism. On January 10th *The Times* correspondent was able to telegraph that an early abdication was certain; the National Convention had vanished into thin air. The final *dénouement* was hastened by the attempted assassination of Yuan on the 16th of January, which spread terror amongst Manchus and Chinese alike. A last remnant of courage was infused into the Manchu Princes and the Court, and a last flicker of resistance, by the counsels of Tieh-Liang, the ex-Boxer and notoriously corrupt and braggart Tartar-General of Nanking, who made good his return to Peking in the middle of January. This old enemy of Yuan Shih-k'ai enjoyed considerable prestige amongst his kinsmen; he it

was who had secured Yuan's downfall after the death of Tzü Hsi in 1908. He was now able to persuade the Court that Yuan had played them false, and to induce the Empress Dowager to declare by Edict her intention of abdicating only if the decision of the National Convention so decided. The decision in itself was perfectly legitimate. The National Convention solution had been formally accepted by every party in the State; the proposal for immediate abdication was the result of the agitation of hungry place-seekers and journalists, playing upon the Manchu Princes' fear of losing their proffered pensions. But the last stand was short-lived. Two more bomb outrages (one of which caused the death of the Manchu General Liang Pi), occurred on the 26th and 27th of January. On the 25th *The Times* correspondent reported that "these last two outrages are expected to have a powerful effect in inducing the Princes to reconsider their opposition to an early abdication, and further pressure is being brought to bear." On the 31st the Throne had realised that "it could not continue to defy the warnings of the people." Dynamite had replaced the National Convention as a solution of the problem, and the triumph of the Republic was assured. In a land where money is the be-all and end-all of politics, a dynasty had gone down for lack of funds. The Manchus' abdication was completed, with many and curious formalities, on the 12th of February, and favourable conditions as to pensions, dignities and titles were guaranteed to the Imperial House in the name of the Republic.

THE MANCHUS' ABDICATION.

The Abdication Edicts, models of propriety, ingenuity and literary skill, were drafted for Yuan Shih-k'ai by one of the ablest and staunchest of his Cantonese lieutenants, Liang Shih-yi—the man who, above all others, had strained every

nerve to secure funds for the Imperialist cause. In the first of these decrees, the Empress Dowager was made to say :

"To-day the people of the whole Empire have their minds bent upon a Republic, the Southern provinces having initiated the movement, and the Northern Generals having subsequently supported it. The will of Providence is clear and the people's wishes are plain. How could I, for the sake of the glory and the honour of one family, oppose the wishes of teeming millions ? Wherefore I, with the Emperor, decide that the form of government in China shall be a constitutional Republic, to comfort the longing of all within the Empire and to act in harmony with the ancient sages, who regarded the throne as a public heritage."

Yuan had fought a good fight, not for the Manchus, whose powers and privileges he himself had unhesitatingly swept away, but for the maintenance of the Throne as the only rallying point in a country threatened with chaotic disorganisation. Abandoned by the foreign Powers which had hailed him as the saviour of the Empire, distrusted by the Southern Republicans, feared by the unruly elements of Young China and hated by the old-gang Manchus, he had done his duty, and he had failed. In November he had declared that to be a party to the establishment of a Republican Government "would brand him as a liar before all the world." It is significant of the deep distrust that underlies the relations of all classes of Chinese officials, that it should have been frequently asserted and believed in China that Yuan was privy to T'ang Shao-yi's defection from the Imperialist cause, and that his own acceptance of the Premiership at the hands of the Regent was part of a deep laid plot for the betrayal of the Manchus. It is impossible to entertain the suggestion of such treachery : on the contrary, everything in his attitude and actions confirms the opinion that throughout the crisis he pursued a consistent and statesmanlike course, sincerely anxious for the ultimate good of his country. In consenting to take service under the Republic,

he could not hope to escape the charge of inconsistency: but here again, everything points to patriotism, rather than to the gratification of personal ambitions. In professing, as he has since done, sincere belief in the Republican form of government, he has undoubtedly followed the traditional lines of Oriental statecraft, instinct with opportunism and guile. But in judging of his action in this matter, it must be borne in mine that Yuan is no Western-learning official. He ignores the power of the Press, which Western politicians have ever before their eyes; he is obviously unconscious of the fact that the things which he may have said or done a year ago are recorded in the files of newspapers and in the minds of men in all parts of the world. As President of the Republic, Yuan's position is one of difficulty and danger greater even than under the Monarchy; but his position at the head of the State is rightly regarded, by the great majority of observers, as affording the best, if not the last, hope of averting from the country long years of strife.

THE BEGINNINGS OF PARTIES UNDER THE REPUBLIC.

Precisely two days had elapsed after the abdication of the Manchus, when the first rift showed itself in the Republican lute and the struggle for power and place between the "old" and the "new" Republicans began. On the 14th of February, Yuan received from Sun Yat-sen an invitation to proceed forthwith to Nanking, there to receive his nomination as President of the Republic from the Advisory Council of the Nanking Assembly, on the ground that "the organisation of the Republican form of government could not be delegated from the Manchu Emperor." Yuan, much against the grain, was constrained to accept the invitation. With the subsequent history of the first days of the Republic, we are not at present concerned; but it may be noted, as typical of the state of politics in China, that the mutiny of the troops at Peking, which eventually prevented the

President from going south, has been freely attributed by his opponents to his own instigation.

THE OPINIONS OF PRINCE ITO.

Before examining the possibilities of permanence in the Republican form of government in China, and the chances of a monarchical restoration, it may be well to consider the opinions of a great man qualified by his position to approach the subject dispassionately and with the wisdom born of a wide outlook on human affairs. I refer to the late Prince Ito, a statesman who combined philosophical judgment with patriotism to a very rare degree, and whose views therefore deserve the close attention of those who would form a correct idea of political conditions in the Far East. Sir Valentine Chirol, in the *Quarterly Review* for April, 1912, has reproduced the substance of a conversation held with Prince Ito at Tokyo in the spring of 1909, on which occasion the Japanese statesman unhesitatingly expressed his opinions concerning the destructive and disruptive tendencies of Young China, and the reasons which make it impossible to hope that, following their lead, the Chinese people can ever hope to emulate the political and material successes of Japan. The interest of this article is increased by the fact that, since the outbreak of the Revolutionary movement, the policy of the Japanese Government has been most evidently based, and its movements "pre-arranged," on Prince Ito's conception of the situation. It would have been well for China, and for British interests, had British policy been framed and guided by political insight so discriminating and prescience so keen.

Prince Ito concurred in the general opinion that the Manchus had become incapable of performing their proper function as rulers, and considered that England had blundered politically in assisting them to suppress the Taiping Rebellion.

"By preventing the overthrow of the Manchu dynasty, Gordon and his 'ever-victorious army' arrested a normal and healthy process of nature. Nothing that the Manchus [1] have done since then affords the slightest evidence that they deserved to be saved; and when they fall, as fall they must and will before very long, the upheaval will be all the more violent and all the more protracted from having been so long postponed."

Discussing the manner in which Japan worked out her own salvation, Prince Ito concluded:

"Thus, owing to a variety of circumstances, that great crisis in our history produced not only a few individual leaders, but a whole class of society in many ways justified and ready to take the lead in a great national movement. Moreover, there was already in the air a great national idea, around which the new, and, if you like, revolutionary, aspirations of the country were able to crystallise in such a shape as to secure, together with all the benefits of a real revolution, *the unbroken continuity of ancient traditions.* Instead of destroying the Throne, we were able to claim that our object was to restore the Imperial authority, too long eclipsed by the usurping ambitions of the Tokugawa rulers . . ."

And comparing Japan's unthreatened sovereignty with China's state, he observed:

"China's territorial integrity and independence, which she has no material means of defending for herself, are protected, in so far as they are protected at all, far more by international jealousies than by the Treaties which are supposed to guarantee them. Yet, though China is, and in fact always has been, at the mercy of the foreigner, the Chinese have, until quite recently, shown themselves absolutely impervious to all Western influences except that of superior force. Not only the ruling class, but practically all classes in China have

[1] Prince Ito considered that the part played by the Emperor Kuang Hsü in the Reform Movement of 1898 was a subordinate one, dictated by K'ang Yu-wei and his friends.

wrapped themselves stolidly in their belief in the inherent superiority of their own civilisation . . .

"Within the last few years, no doubt, there has been a considerable and a very rapid change, but even that change is not so much a spontaneous growth from within as the result of the importation of Western ideas from without, by young Chinese who have been educated abroad and who have returned to their own country not only imbued with Western conceptions, but so largely estranged from all the old Chinese conceptions that they have almost as much lost contact with the Chinese point of view as if they were themselves foreigners by birth. Hence the crudity and violence of the doctrines which they teach."

Finally, after observing that there exists no great national ideal that can afford a rallying cry to unite all the different forces which are making for change in China, he concluded :

"So far, also, it must be regretfully confessed that there is in China no class of the community which seems competent to take the lead in a great national movement. The official class, in spite of some brilliant exceptions, is as a whole notoriously incompetent and corrupt. The merchants may be taken as the nearest equivalent to a middle class in China, and in business they have acquired a considerable reputation for honesty and intelligence, but they have always held aloof from public affairs, which, with the Chinese talent for specialisation, they regard as entirely outside their own sphere of activity. The great mass of the population is probably even more inert in China than in most Oriental countries. It is thrifty and extremely industrious, and has been accustomed for so many centuries to be treated by its rulers as the "stupid people" that it may be held now almost to justify its nickname by its supreme indifference to everything beyond its own narrow horizon of daily toil. The young students who have returned from abroad form a very vocal and not unimportant body of agitators, many of whom are animated with excellent intentions, but they have hardly any roots in the country, *and they can hardly be said to form a class capable of directing and controlling any practical course of action.* As for the Chinese army, it would seem extremely

improbable that in a country such as China, so completely bereft of all military traditions, an army could be organised that would possess both the efficiency and the discipline required by such an emergency."

SIR ROBERT HART'S VIEWS.

Sir Robert Hart, in his apologia for the Manchu dynasty,[1] written after the Boxer *débâcle*, saw no Republican visions. "There would seem" he said, "to be a choice between three courses, partition, change of dynasty, and patching up the Manchu rule." He knew the Chinese to be "a very practical person, accepting the rule of those who have the power to rule and the good sense to rule justly, with greater equanimity than others," but he deprecated partition because of "Chinese feeling and Chinese aspiration." He held that a new dynasty must plunge the country into years of anarchy, because "there is no man of mark all China would accept." Therefore, like Yuan Shih-k'ai a decade later, he was for bearing the evils that he knew. Count Okuma, a statesman whose views carry great weight with the constitutional reformers of Liang Ch'i-ch'ao's following, expressed his opinion, at the beginning of the crisis, in complete concurrence with Yuan's limited Monarchy programme, his line of argument being similar to that used by Burke when he maintained "that a Monarchy is preferable to a Republic because it is easier to engraft the advantages of a Republic on a Monarchy, than to engraft the advantages of a Monarchy on a Republic." Finally, in the opinion of constitutional Young China, the steadily growing party of Moderate Reformers under K'ang Yu-wei and Liang Ch'i-ch'ao, a Republic is utterly incompatible with the traditions of China. At an interview with an American Press agent in Kobe, Liang Ch'i-ch'ao expressed himself to the effect that "the end of the present disturbances must be

[1] *These from the Land of Sinim.* Chapman and Hall, 1901.

a Constitutional Monarchy of the most advanced type," to which, if we may believe the reporter, he added an oracular statement, of the kind dear to Oriental minds, "that this will be effected by one man, who is not at present on the stage."

SIX MONTHS OF THE REPUBLIC.

It is unnecessary to labour the conclusions to be drawn from these opinions, for within six months of the abdication of the helpless Manchus, the country has had ample opportunity to judge for itself how far Young China is likely to make good the solemn pledges so confidently given by Sun Yat-sen (as Provincial President) in his Manifesto of the 5th of January, 1912. Six months have passed since the self-constituted representative of the nation undertook "to elevate our people, secure them in peace and legislate for their prosperity, to remodel our laws, reform our finances, abolish trade restrictions and ensure religious toleration." Six months—and to-day pessimistic doubts prevail amongst the very men who then proclaimed the dawn of a joyful awakening. The army, uncontrolled and uncontrollable, has already repudiated Young China; the horde of hungry politicians remains absorbed in futile arguments and sordid intrigues; the Government is without prestige, policy, or power; three parties in the State, alike forgetful of their country's urgent needs, struggle for place and pelf; the Cabinet is distracted by the advice of amateur politicians at the capital and the threats and protests of the provinces. By the beginning of July, the country's instinctive craving for authoritative rulership had begun to assert itself. The Military and Police Societies of the provinces had warned the three parties of the National Assembly "to cease from thwarting the Government by their senseless and selfish factions," and had urged the President to establish a military

Imperial Foreign-drilled Officers.

Chinese Cavalry, Imperial Army.

Dictatorship. Young China, the only articulate force that emerged with definite aims from the first confusion of the Wuchang plot, had already become completely disorganised (as Yuan Shih-k'ai had foreseen) and in its place a military league, similar to that which controls the political destinies of Turkey, had been evolved as a natural consequence of the army's rapidly developed consciousness of its powers. From a Military Dictatorship to restoration of the Monarchical form of government the road is easy.

The masses of China are slow-thinking and slow-moving. Politically uneducated, not to say unconscious, they remain generally indifferent to the proceedings of mandarins, ancient or modern, so long as those proceedings touch not too closely the things that matter in their narrow world. Of the Republic, and its gospel of liberty and equality, they have no doubt heard vague rumours, just as they have heard of the war between Russia and Japan. Of the "self-government regulations" they may also have heard, and classed them with the reform of the currency, and the abolition of lekin, as "wind in the ear," harmless lucubrations, invented for the pacification of restless foreigners. Means of communication between the lower strata of the toiling population are few; new ideas and the assimilation of new facts involve long mental processes. It may safely be asserted that the great majority of the nation have not the faintest conception of the meaning of the word Republic; and more important still, they have not yet realised the effect upon their own lives of the removal of the Son of Heaven from the scheme of things Celestial. An agricultural people, born and bred in ancestor worship and patriarchal Theism, regarding the Emperor as the Heaven-appointed centre and crown of their family system; looking to him, at seed time and harvest, in days of flood and famine, as the invoker of good, and the averter of evil, destinies—it is impossible to believe that such a people can lightly lay aside their deep-rooted traditions, their immemorial reverences and beliefs, for any

phantasy or trick of politicians. The thing is inconceivable—a century of educative processes must elapse before the dreams of Sun Yat-sen can verge on practical politics. And in the meanwhile, because the character of the nation's aggregate is determined by the character of the units, China, if left to control her own destinies, will assuredly revert to a form of Government which leaves the Son of Heaven upon the Dragon Throne.

THE CHANCES OF A MONARCHICAL RESTORATION.

Looking closely at the Edicts of abdication, drafted by one of the ablest pens and clearest brains in China, one seems to perceive a subtle suggestion of this aspect of the matter, and even a cautious provision for the pendulum's inevitable swing. It is a fundamental principle in Oriental statecraft that every political arrangement should provide for contingencies of reaction and revision. The Chinese are peculiarly averse to anything like finality, either in politics or business; instinctively they recognise the virtue that lies in loopholes for second thoughts. This characteristic of the race is clearly reflected in the Manchus' abdication Edicts. In the first place, they avoid the use of the Chinese term which conveys directly the idea of complete abdication. They record the fact that the dynasty has ceased to exercise its ruling powers, but the Imperial title remains, whilst the rank and dignities of the Iron-capped Princes and other hereditary nobles are left unimpaired. Finally, in the matter of pensions and right of residence, the terms conceded by the Republicans to the Court are liberal. As an autocratic ruler, the Emperor has retired gracefully, and not without honour, from the scene; as the head of the ex-Imperial Clan he continues to exist, and that in close proximity to the Forbidden City; continuing, within the limits thus prescribed, the ceremonial and religious functions of his House. In the "profound seclusion" of the Summer

Palace, the Manchu Emperor will continue, retaining his Household staff and elaborate Court etiquette, and enjoying "due courtesy—not fealty and obedience"—from his former subjects. In a country where political intrigue is rife, where the loyalty of troops is bought and sold, it is evident that a Court, reputed to possess vast sums in hoarded treasure, may well continue to play an important part in politics.

A counter-revolution in favour of the Manchus would be a national calamity, irrespective of its immediate results; but the inevitable disorganisation of the Republican *régime* brings it well within the bounds of possibility. There are still formidable military forces partial or faithful to the Manchu cause; Chang Hsün, the defender of Nanking, who dominates the situation in Shantung; Chao Erh-hsün, Viceroy of Manchuria, apparently irreconcilable, and Sheng Yün, with his bandit army on the borders of Kansuh. If Yuan can control the turbulent factions at Peking and conciliate the inveterate spirit of locality in the provinces, above all, if he can centralise and regulate the Republic's finances, these semi-rebel armies will no doubt give him their adhesion (on terms); but if the present chaotic conditions continue, a reactionary movement in support of the Manchus is practically certain to occur, in which case these forces would have to be reckoned with.

Setting aside the Manchus, however, as alien rulers who have finally forfeited the respect of the masses, the eventual restoration of the Monarchical form of government would appear to be morally certain, for the reasons above stated, as the only means by which to avert the secession of those provinces in which autonomous tendencies have become most marked since the Revolution. Whether in the hands of Yuan Shi-k'ai, or of the lineal descendant of the Ming dynasty, the Imperial person and his authority are essential to the existence of China as a united nation. The antecedents and personal qualifications of the sovereign are matters of secondary importance; but maintenance of the

Monarchical principle is inseparable from the Confucian tradition. The Throne is the natural centre of the Chinese political and social system.

A MING CLAIMANT TO THE THRONE.

Amongst the Constitutional Monarchist reforms, the candidature of the Marquis Chu, lineal descendant of the founder of the Ming dynasty, has been widely supported, especially amongst the *literati* of Anhui and Hupeh. He is forty-five years of age and reported to be intelligent and of good education. It may safely be predicted, however, that if Yuan Shih-k'ai should elect to become the founder of a dynasty, his relations with the army leaders and his personal prestige would effectively extinguish the chances of a Ming restoration. In this connection, it is worthy of note that the great families of China, the "big names" of Tzŭ Hsi's reign, the Li's, the Tsung's and the Tso's, are all completely dissociated from the Republican programme and would undoubtedly be a powerful factor (though impoverished by the disorders of the rebellion) in any movement for the re-establishment of a Monarchy.

But in the light of history, and in view of the manifold dangers which threaten the ancient Chinese State, this much appears to be certain: that either the Man of Destiny will emerge, to enforce salutary discipline on the warring factions political, or the country will fall, exhausted, a prey to its stronger neighbours. The latter fate is, indeed, at this moment overtaking the northern Dependencies, and who shall say at what point "geographical gravitation" will cease?

The Republic, in any case, seems to be, humanly speaking, impossible. Looking back to the accident of its birth and of its growth, the wonder is that it should ever have come to maturity.

THE FIRST ORGANISATION OF THE REPUBLICAN MOVEMENT.

I have described the causes of Yuan's failure to maintain a limited Monarchy, and explained T'ang Shao-yi's part in establishing the Republic. There remains, however, to be explained the remarkable fact that, within a month of the Wuchang revolt, Young China at Shanghai and Nanking should have evolved something like a Republican organisation, sufficient at all events to enable them to elect Sun Yat-sen President upon his arrival in China, and to present to the world some outward and visible signs of authority. It was this rapid concentration of forces, with symptoms of organised leadership and policy, that led many observers to exaggerate the inherent cohesion of the movement, and to regard the Revolution as a marvellous triumph of patient, farseeing organisation. In other words, they attributed to Young China as a whole qualities which distinguished only a few of the Cantonese vanguard. For it must be borne in mind that all the initiative and cohesion which the movement possessed in the conspiracy stage was Cantonese. This fact explains the enthusiasm and apparent unanimity of the first weeks of the Provisional Government at Nanking ; it explains also the rapid growth of feuds and factions in the National Assembly as soon as the Republican idea began to assume a national aspect. For, as has been explained in an earlier chapter, the inhabitants of the Kuang provinces are very different, socially and politically, from the rest of China. The slower-witted natives of Hunan, Kiangsu and Anhui consider themselves, nevertheless, the fine flower of Chinese culture and civilisation, and their provinces the real centre of the universe ; so that, when it came to a division of the spoils, nothing but a firm hand of authority could have preserved the peace. In Peking, as the shop signs testify, Canton is regarded as much the same as a foreign country. Yuan Shih-k'ai's troops, the men who began their looting at the

quarters of the Nanking delegates, were only voicing the common sentiment of the North when they mocked these frocked-coated youths of the South as monkeys—neither Chinese nor foreign.

THE CANTONESE RADICALS.

The political activity and organisation of the Cantonese Radicals constituted the principal cause of Young China's sudden adoption of the Republican programme; the traditional centre of unrest and revolt gave definitely democratic aspirations to a movement which otherwise would have remained anti-dynastic and anarchical. And the creators of this organisation at headquarters, the men who had the ability and influence to establish the Provisional Republican Government at Shanghai and Nanking, were undoubtedly the Cantonese secret societies, which have generally recognised Sun Yat-sen as their leader. At the outset, the Republican programme announced by Wu Ting-fang and Wen Tsung-yao at Shanghai was clearly identified with Cantonese initiative. The revolutionaries' war chest was supplied almost entirely from the funds subscribed by Cantonese, a fact which enabled them, for some time, to dictate the policy of the Ko Ming t'ang (Revolutionary Society) in the Central provinces and to take from General Li Yuan-hung the direct control of negotiations with Peking. Sun-Yat-sen's command of the purse-strings, emphasised and supported by his far-reaching influence over the Press at the Treaty Ports, was a vital factor in the situation. The large sums which he was able to draw from the Cantonese patriots of Hongkong, Singapore, America and the South Seas, and with which his fellow conspirators were able rapidly to enlist a considerable body of semi-piratical troops, gave Canton, from the first, a commanding position and some justification for self-assertiveness. Sun Yat-sen's intimate relations with Japanese financiers and his arrangements made,

through them, for the purchase of arms and ammunition, undoubtedly conferred enormous prestige upon the Cantonese leader, which increased as the movement grew, by reason of the unmistakable success of the Republican Press campaign in America and England. It was only when the ever-latent jealousies of the Central provinces awoke to the conclusion that Sun Yat-sen's ambitions meant "China for the Cantonese" that the dream of a harmoniously united Celestial Republic began to fade. To do him justice, this interpretation of Cantonese activities was no fault of Sun Yat-sen, whose Utopian visions have been singularly free from provincialism, and whose rabid Republicanism has at least the merit of sincerity. Of the three men who made the Republic, it may be said, indeed, that Sun Yat-sen was born a Republican, whilst T'ang Shao-yi achieved Republicanism, and Li Yuan-hung had Republicanism thrust upon him.

In arriving at the conclusion that Republican institutions are entirely irreconcilable with the traditions and instincts of the Chinese people, it is necessary once more to emphasise, in conclusion, the essential differences which distinguish the inhabitants of the mountainous provinces of the south-eastern coast from those of the great plains; bearing these differences in mind, it is possible to conceive the eventual establishment of a Republic, framed on American lines, for Kuangtung and Kuangsi. In these provinces, the intelligent and semi-political activities of the secret societies have undoubtedly educated a far larger public than is ever reached by the politicians of Central or Northern China; as far as they are concerned, the visions of Sun Yat-sen are not beyond the remoter horizons of possibility.

A Cantonese Republic would combine the intellectual activities of Irish Home Rule with the guerilla factions of South American States—and the results, during a long educational period, would assuredly resemble those of Mexico or Uruguay, rather than those of Switzerland or North

America. In any case, the proceedings of such a Republic could never be dull, and the severity of the economic problem in the region of the Pearl River would be periodically reduced by the blood-lettings of civil strife.

The importance of the Cantonese party as a determinant factor in the future of China justifies separate consideration of its constitutional elements and political tendencies.

CHAPTER VIII

THE CANTONESE PARTY

It is impossible fairly to appreciate the origins and tendencies of China's unrest without having studied the Cantonese in their native place. To have lived a year in the Native City at Canton is to understand the causes of the country's present discontents better than they could be learned in many years of Peking. For Canton is essentially the fountain head and focus of Chinese unrest.

I have referred in earlier chapters to the geographical and climatic conditions which differentiate the social structure obtaining in the mountainous South Eastern provinces from that of the great alluvial plain of Central China and the wind-swept lands of the sandy North. The spur of the Himalayas which runs eastwards and south through Yünnan, forming the northern border of the two Kuang provinces, and which then turns to the North-East, enclosing Fukhien and Southern Chêkiang between its hills and the sea, forms a barrier sufficient in itself to account for many notable differences of physical type and mental characteristics. Many philosophical writers have emphasised the tendencies to political separation induced in the inhabitants of coast-lands by their maritime interests and occupations; in the case of the Kuang provinces, this tendency has naturally been aggravated by the existence of the great mountain barrier, whose steep passes carry but a thin stream of communication. It has furthermore been intensified (and with

it has arisen a chronic antagonism between Northern and Southern China), by the fact that the Manchus' domination was not established in this region for some forty-five years after it had been recognised by the rest of China. The complete subjection of Kuangsi in particular was not effected by the Emperor K'ang Hsi until the death of the popular prince and leader, Wu San-kuei; the memories of that stout resistance to the alien's rule have lingered on to this day, perpetuated by the activities of the Triad Society and other anti-dynastic leagues; they burst into new and vigorous life in the Taiping rebellion, and would then have overthrown the dynasty had it not been for Gordon and his "ever-victorious army." During the reigns of K'ang Hsi, Yung Cheng and Ch'ien Lung, while the Manchus' authority was effectively maintained throughout the Empire, the intransigeants of these Secret Societies, unable to indulge in political agitation, manifested their discontents (and incidentally, made a living) by piracy and dacoitry, creating an endemic *malaise* of disorder and unrest at every weak point in the administrative structure, whereof the traditions and practice continue to this day. But whether as pirate or politician, the typical Cantonese has ever subscribed in his heart to the legend of the Taiping banners "Destroy the Manchu, re-instate the Ming"—and Canton, the irreconcilable, has been a persistent thorn in the side of the dynasty. It was left for Sun Yat-sen, as the apostle of a new and undigested political creed, to substitute something which, at first sight, seemed even more attractive to the eyes of many of his followers than a Ming restoration.

THE EARLY MARITIME TRADE OF KUANGTUNG.

In addition to the characteristics evolved by their history, and by their internal geographical position, the Cantonese, as a maritime community more favourably situated than any other in China for the development of commerce with the

outside world, have developed, from that commerce, and from their intercourse with foreigners, qualities of mental and physical alertness which plainly distinguish them from the rigidly localised and isolated inhabitants of the interior. It is true that their traffics and discoveries by water were never undertaken in that Viking spirit of adventure with which they have been credited—their junks were always coast-hugging craft, and if they ventured far out upon the uncharted trackless seas, they were captained, as Chao Ju-kua[1] has recorded it, by Arabs and Persians. Under economic pressure, they colonised the isles of the coast, including Hainan and Formosa; they traded with Siam, Manila, Java and Borneo and the Straits—but up to the end of the Ming dynasty, the Malabar Coast was the furthest west reached by the Cantonese junks. As Hegel observes in his "Philosophy of History," this "going forth into the sea from the confinement of the land is lacking to the splendid state edifices of Asia, even when they border on the sea, as does China. For them, the sea is only the end of the land: they have no direct relations with it."

I refer to this aspect of their maritime activities because it has a certain bearing upon the present-day proclivities of the Cantonese and explains, to some extent, those peculiarities of Young China upon which Prince Ito laid such stress.[2] A people thus situated could not fail to become traffickers in sea-borne cargoes. They were willing and ready to take the advantages of their commercial position, and in the process they must needs learn something of the great world beyond their horizon. But the trade was the thing; to the influence and to the Western learning of the foreign trader they remained haughtily impervious throughout the centuries. They were willing to buy from

[1] "Chao Ju-kua—His Work on the Chinese and Arab Trade in the Twelfth and Thirteenth Centuries." Translated from the Chinese and annotated by Friedrich Hirth and W. W. Rockhill. Published by the Imperial Academy of Sciences at St. Petersburg, 1911.

[2] *Vide supra*, p. 174.

Indian, Persian and Arab merchants their ivory, spices and precious stones, but they had no curiosity concerning the Western lands from which these things came. In the Portuguese, Dutch and British ships which, in their turn, came trading from the West, they saw no matter for speculation other than that of barter. Even in the days of the closest relations between the Co-hongs of Canton and the East India Company, the Chinese attitude seems to have been one of philosophic aloofness, tempered by greed of gain, but never by curiosity.

Theirs was essentially a superior home-staying, and not a forthfaring inquisitive commerce; from the sixteenth century onwards, after the extermination of the Portuguese trading depots in Kuangtung and Fukhien, the foreign merchant who came to Canton came at his own risks, lived on sufferance, and was subjected to innumerable hardships and exactions. There was a brief period of enlightened trade legislation under K'ang Hsi; but under Ch'ien Lung, Canton being the only port open to foreign traders, the East India Company's servants were treated with every possible indignity.

Nevertheless, despite what Sir Robert Hart once called their "pride of race, pride of intellect, pride of civilisation, pride of supremacy, in its massive and magnificent setting of blissful ignorance," despite their stolid, unshaken belief in the inherent superiority of their own civilisation, the Cantonese could not remain entirely uninfluenced and unbenefited by their contact with the Western world. They did remain, to use Prince Ito's words, "deliberately blind to the evidence of their own eyes long after they had been forced into direct and close contact with Western influence"; but as the means of communication increased between West and East, the advantages of their strategic position as a trading centre carried with it certain disabilities which, in the end, proved stimulating to the collective intelligence of the City of Rams. For the unjust exactions and indignities inflicted

Pounding Corn for Meal in the Famine Region,
North Kiangsu.

upon British traders brought down upon Canton the pains and penalties of two disastrous wars. Twice within twenty years was it brought home to an arrogant but quick-witted race that the methods of the outer barbarian and his material equipment, at least, were worthy of study. Those severe object lessons assuredly contributed to the education of the Cantonese, which has given them their present ascendancy in every department of Young China's political and intellectual activities.

PRESSURE OF POPULATION IN THE CANTON REGION.

Thus we see that the inherent and permanent causes of the racial characteristics which especially distinguish the people of South-eastern China arise mainly from the geographical situation of these provinces; whilst their intellectual and political activities may be ascribed to the accumulative effect of their experiences and direct relations with foreigners, resulting from the advantages of their maritime trade. But the chronic internal unrest of this region is not attributable to either, or both, of those causes: its origin must be sought in the economic condition of the people. Nowhere in China does the burden of population press more severely on the visible means of subsistence. Here, in the swarming ant-hills of their cities, in the overflowing towns and villages of the agricultural districts, in the vast floating population of the rivers and coasts, one may see the fearful problem of China's man-breeding and man-feeding working itself out to inexorably tragic conclusions. Canton itself presents the process and its results with such appalling vividness that even the casual globe-trotter carries back with him a nightmare sense of pressure unspeakable. Anyone who has spent months or years amidst these pullulating masses, who has walked the streets of Canton's City of Dreadful Night and watched the flotsam and jetsam of its purlieus struggling for their daily meal, can never forget the sights and sounds and smells of this man-made

Inferno. Here is a city of a million souls, with scarcely a breathing space, without a park or public place of open-air recreation; its streets narrowed down to the bare six or seven feet required for traffic. There is no room for vehicles —the work of beasts of burden is done by short-lived men, waging their daily war with semi-starvation. The chair coolie eats his bowl of rice in the street between two fares: food is bought and sold in microscopic portions, the very beans and peanuts counted on the huckster's stall. The shops have been cut down, by pressure of population, to mere boxes, crowding each other along and across the narrow street, and each has to support more apprentices than it needs, because somehow they must live. A struggle for life so intense breeds pirates, outlaws and desperadoes as a cheese breeds maggots—and in the upper strata it breeds hungry place-seekers and desperadoes of the political type. Yet in spite of their nightmare existence of toil and pitiful wage, perhaps because of the very cheapness and precariousness of human life, the Cantonese are a cheerful and philosophical race. When pestilence comes, as it must, to thin out the weaklings and make room for the next swarm of predestined hungry ones, they accept it, and all other manifestations of the "wrath of Heaven," as part of the common lot of humanity. They are, in truth, a splendid people, intelligent, hardy and laborious, in industrial energy surpassing every nation of the modern world; their only sin (and that unconscious) lies in subservience to a social system which blindly provides with each generation new materials for plague, pestilence and famine. At Hongkong, under the ægis of the British Crown, the conditions are the same, tempered only by the European's sanitation and some of the minor decencies of life and death.

THE EMIGRATION OUTLETS

Before the nineteenth century brought to the knowledge of these people means of communication and outlets for

their surplus millions overseas, Nature adjusted in her own ruthlesss way the balance between population and food supply. Then came a time when these adventurous hunger-driven folk sought and found places in the sun—in the Straits Settlements, in Batavia, in Burmah, Siam and Honolulu, in Canada and the United States; and everywhere they went, they proved that, given good government and a fair field of opportunity, they are intellectually and morally qualified to make useful citizens. Economically they have no superiors in fair competition, having been inured to a standard of living on which no white race can exist. The natural solidity and reliability of the Cantonese, their ready adaptability to climate and environment, their sobriety and thrift, all combine to make them ideal settlers in undeveloped regions. And the same economic superiority rapidly concentrates wealth in the hands of their merchants, bankers and ship-owners. The Chinese practically own the British Colonies of Hongkong and Singapore to-day: given fifty years of the "open door" and they would own the Pacific coast of America.[1] But the door has been closed, because of the white race's instinct of self-preservation, in those parts of the world to which the teeming millions of Kuangtung and Fukhien looked chiefly for salvation. America and Australia have warned off the yellow man, building against him the great wall of their Exclusion Acts. Between 1870 and 1910, about ten millions of Chinese toilers had found new homes and new hopes overseas, greatly relieving the pressure in Kuangtung and Fukhien, not only by their absence, but by their remittances in cash to

[1] In a despatch addressed to Sir Edward Grey by the British representative at Lima on the 20th of October, 1911, the Chinese colony in Peru was estimated to number between 14,000 and 15,000; many of whom are Christians, and who intermarry with the Peruvians. It was stated in the same despatch that the sums actually subscribed for the purposes of the Revolutionary party by the Chinese in Lima, Iquique, and Guayaquil amounted to a million pounds sterling, half of which amount had been remitted by telegraph to the Revolutionary finance committee at Honolulu.

their ancestral homes.[1] It is estimated that there are nearly three million Chinese in Siam.[2] In the Malay States they outnumber and outclass the Malays; in Indo-China and Tongking they constitute the industrial backbone of the country. Yet every fresh proof given of their fitness to survive in the fiercest struggle for life merely increases the certainty that the races whose economic existence is threatened by their invasions will sooner or later follow the example of Australia and America. It is equally certain that the people of these congested provinces must either emigrate, or overflow (as in the case of the Taiping rebellion) northwards, or starve. It is their collective aversion to starvation which finds its chronic expression in the unreason and unrest of their political leaders; and which instinctively recognises a new menace in the expansionist policy (equally due to enonomic pressure) of Japan in Manchuria and Mongolia.

The intelligents of Canton—Young China—bitterly resent the Asiatic Exclusion Acts of the United States and those other civilised countries which enforce, or attempt to enforce, the policy of the Open Door in China. As an example of Chinese sentiment on this subject, I take the following from the *Republican Advocate* of Shanghai:

"Colonial opinion exceeds by far the written law in antagonism to Asiatic development, and in Canada, Australia and the greater part of South Africa, that opinion is unanimous. Though they may sometimes be

[1] In 1904 Mr. Morse estimated the annual remittances of Chinese overseas at more than a hundred millions of taels (say 15,000,000*l.*).

[2] The Burmah Census Report for 1911 shows a total of 123,000 Chinese resident in the Province, as against 62,486 in 1901. These Chinese intermarry freely with Burmese women, "the fusion being generally considered to be a most advantageous racial combination." It is interesting to note that the custom has become firmly established that the male children born of these marriages are considered to be Chinese, and the females Burmese. The Burmese-born Chinaman, extremely jealous of his Chinese nationality, insists on assuming that he was born in China to obviate any possible doubt on the subject.

uneasy of conscience, the colonists are firm of conviction. East and West, North and South, as Anglo-Saxon rule runs round the globe, the door is closed to the free development of Asia's children. It is not in the Colonial Statute books that anti-Asiatic feeling finds strongest expression, but in the unrecorded incidents of every-day life."

The writer of this article ascribes the exclusion of Asiatics to race-antagonism, implying a natural antipathy of the white race for the yellow. This idea is widely held amongst educated Chinese: they fail to perceive in the action of the United States a simple instinct of self-preservation, as inevitable in the struggle for life as the emigrating impulse of the Hakka coolie. Rarely do we see, where white men and yellow live in the same communities, racial antagonism assuming the form of physical and mental repulsion. The trouble lies in the white races' recognition of, and self-protection against, the fact that the Chinese birth-rate is three times as high as the American and that, if the Caucasian would avoid being "ruined by Chinese cheap labour," he must keep the door closed. It is usual for diplomacy to cast a veil of fine phrases over the brutalities of the life struggle; and American statesmen, in particular, have always been careful to cloak with verbal decencies the grim truth that, in that struggle, might is right, and that only from the weak can the "open door" be demanded. In 1868, the Burlingame Treaty cordially recognised, in the blissfulness of ignorance, "the inherent and inalienable right of man to change his home and allegiance, and also the mutual advantage of the free immigration and emigration of their citizens and subjects respectively from one country to the other, for purposes of curiosity, of trade or as permanent residents." *Vox et præterea nihil!* In 1880, the Yellow Peril had already been realised, and altruistic sentiments made way for measures of self-protection.

The operation was performed with diplomatic delicacy. It was clearly impossible to prohibit "inalienable rights":

therefore the official faces of Washington and Peking alike were saved by an agreement which gave the United States power to "limit or suspend" Chinese immigration. In 1883 and again in 1894, Chinese immigration was limited for a period of ten years. The latter agreement lapsed in 1904, but the exclusion law remained in force.[1] Against it the feeling of the Cantonese ran high, culminating in 1905 in an organised boycott of American trade. This movement unmistakably expressed the indignant feelings of the Cantonese, which had been aggravated by America's closing the door to Chinese immigration in her Colonial possessions. The Exclusion Act was applied in 1902 to the Philippines, one of the Chinese labourers' happiest hunting grounds; and the plantations of Hawaii were also closed to them. Even if these things had happened twenty years before, they would have affected the economic equilibrium in Canton: as it was, the outflow was checked at a time when large communities of Chinese abroad had absorbed new ideas concerning the rights of nations and individuals, and had learned to assert them by means of effective organisation. The difference between the altruistic professions of the white races and their treatment of the Chinese emigrant is deeply resented by these communities. Young China's pathetic announcements of its determination to organise military strength and all the resources of a world power, are largely inspired by this resentment and by a keen sense of injustice.

THE COMMUNITIES OVERSEAS.

The new nationalism and demonstrative patriotism of the Chinese communities overseas, differing widely in quality

[1] The inveterate ostrich quality of diplomacy is well exemplified by the action of the United States State Department which, *après tout cela*, is able to express its sympathies for the Jews excluded from Russia and to make friendly representations to the Government of the Tsar on behalf of the excluded. The economic root-cause of the exclusion policy in both cases is, of course, the same, though overgrown and often concealed by religious and social sentiments.

and degree from the sentiments of the masses in China, afford an interesting subject of study. Neither by distance, nor by generations of exile do they lose touch with the ancient civilisation—their unchanging traditions and philosophy seem rather to expand with their prosperity under the protecting rule of the alien. The physical virility of the race persists side by side with the dynamic forces of the Confucian morality. The Chinese abroad dominate their environment by sheer force of sustained energy. The loyalty and affection which they retain for the home land is naturally bound up with ancestor-worship ; even in the communities which no longer send back their dead for burial in China the ancestral home is remembered in honour and generally supported with largesse. The political tendencies of these emigrants are almost universally democratic and progressive ; and their liberalism takes the practical form of subscriptions to Young China's funds. The outbreak of the Revolution, in October, 1911, was the signal for extraordinary demonstrations of enthusiasm—at Perak the mine-owners subscribed a million dollars to the revolutionary war-chest, while the coolies in the mines contributed $10,000 ; the cutting of queues was the occasion for a general holiday. At Toronto, more than a thousand Chinese residents celebrated the inauguration of the Republic by a joyful procession and a banquet. In Java, the rejoicings took the form of a riot, owing to the authorities' refusal to allow the hoisting of the Republican flag. From all sides the leaders of the revolutionary movement received subscriptions and encouragement.

Sun Yat-sen's Republican sentiments undoubtedly represent chiefly the political opinions of his compatriots overseas, and the fact is significantly reflected in the Republican Government's decision that the Chinese communities abroad are to be represented by delegates in the National Assembly. How long the patriotic fervour of these communities will continue to take the form of subscriptions to Young China is a doubtful point. Those

subscriptions are in a sense national, but it is safe to say that the enthusiasm at the back of them has been aroused and maintained by Canton's predominant part in the Revolution and to its initiative in the Republican movement. Let the T'ung Meng-hui and its Cantonese leaders be definitely excluded from their pride of place by rival factions, and we may confidently expect to see the activities and sympathies of the rich Chinese communities in America and the Straits diverted from national to provincial aspirations. For these communities owe their first allegiance to Canton, and "China for the Cantonese" is a sentiment unmistakably prevalent in all their policies. All Canton is, in a sense, Young China; but Young China is not by any means all Cantonese. Canton represents intellectual activities and sources of wealth overseas to which the rest of China cannot aspire, but Anhui, Kiangsu and Chihli represent formidable powers of combination and a traditional objection to Cantonese domination. Herein lies the chief cause of the Republic's initial troubles; herein the significance of Yuan Shih-k'ai's deliberate opinion that the widely divergent aims of North and South can by no means be reconciled; herein, too, the only explanation of his retention of General Huang Hsing (organiser of the Canton revolt in the spring of 1911), to supreme and semi-independent command of the military forces of Southern China.

THE CANTONESE POLITICIANS.

The Cantonese have been called the Irish of China, and in many respects the title is pertinent enough. They possess all the Irishman's ingrained penchant for conspiracies, all his talent for political organisation. They are traditionally and by temperament "agin the Government," heirs of ages of revolt against Peking's constituted authority; courageous, no respecters of persons, impatient of restraint, sullen in their political antipathies, invincibly cheerful in their daily lives.

Rebellion-makers in ordinary to the Chinese people, their intellectual activities and clannishness have fitted them naturally for leadership in treasons, stratagems and spoils; their political methods bear an unmistakable family likeness to those by virtue of which the Irish dominate the internal affairs of the United States; their camarilla instinct, developed by centuries of Secret Society work, attains in practice to scientific precision. They have learned the successful politician's secret of profitably directing the labours of other men, and their contempt for the slower-witted Northerners is never very carefully concealed.

As politicians, their proceedings are marked by an emotional and frequently infectious fervour of enthusiasm; behind this, unfortunately deep-rooted in economic duress, frequently lurk instincts as predatory in their way as those of the pirates of their coasts; a fierce lust of office which, if balked, often outweighs all sense of patriotic duty and endeavour. This last characteristic is by no means peculiar to the Cantonese—the army of the place-seekers is thoroughly national—but the Cantonese have developed it with all their peculiar energy and with a measure of success which was bound to lead to trouble. "The most envious of all mankind," observes Mill, "are the Orientals. In Oriental moralists, in Oriental tales, the envious man is remarkably prominent. In real life, he is the terror of all who possess anything desirable." Thus we find the Cantonese not only in opposition to the political factions of the North, but divided amongst themselves by private animosities and public feuds.

NORTH V. SOUTH.

The line of cleavage between North and South showed itself from the outset of the Revolution. The *Eastern Times* of Shanghai put the case for the Cantonese succinctly in commenting on the action of the National Assembly at Nanking, which inaugurated Yuan Shih-k'ai's administration

as President of the Republic by opposing his selection of Ministers for the Cabinet in March, 1912. It observed that, in the opinion of the Nanking Assembly, consisting principally of Dr. Sun Yat-sen's adherents in the T'ung Meng-hui, "the South was the first to raise the banner of Republicanism; consequently it should enjoy the spoils of the Revolution."

After raising the banner of Republicanism, the Cantonese forces were speedily divided into two camps—the advanced Radical party or T'ung Meng-hui, led by Dr. Sun Yat-sen, and the Constitutional or Moderate Reformers.[1] The latter body professed to accept the principles of the Reformers of 1898 (led by K'ang Yu-wei and Liang Ch'i-ch'ao) which are practically identical with the opinions advocated by Yuan Shih-k'ai when fighting for the principle of a limited Monarchy. The Moderate Republican's policy was a reaction against Sun Yat-sen's extreme Radicalism; judging by its leadership and principles, it should not require much persuasion to convert it definitely to the support of a Constitutional Monarchy. Its leaders include Wu Ting-fang and Wen Tsung-yao, Cantonese both, who held important posts under the Monarchy. These men were the first representatives and spokesmen of the Revolutionary party at Shanghai in November, 1911: to them belongs the credit of the ably conducted press campaign which was largely instrumental in securing the benevolent neutrality of the Powers. By the beginning of February, the followers of Sun Yat-sen, jealous of these eleventh-hour converts to the cause, had stripped them of their offices and had removed the Republican headquarters from Shanghai to Nanking. The Cantonese Guild and other Cantonese societies at Shanghai addressed a protest to Sun Yat-sen and the Provisional Assembly against this action of the T'ung Meng-hui, a fact which indicated that the mercantile community was already

[1] This was written before the organisation of the Kuo Min-tang, or combined Nationalist party, *vide supra*, p. 107 (footnote).

at this early stage alarmed at the unreasoning iconoclasm of the extremists. They, like Wu Ting-fang and his friends, were morever antagonised by the influence exercised over Sun Yat-sen by his numerous Japanese advisers. The seeds of dissension were thus freely sown ; the bond of union that had held the Southerners together in opposition to the Manchus snapped almost as soon as victory was in sight, and the unedifying spectacle began of a fierce internecine struggle for the spoils.

PARTY POLITICS IN THE SOUTH.

As it was with the National Convention before the Terror in France, so it was in China ; the union of the Republican Jacobins ceased with the expulsion of the Monarchy. In February, 1912, we find two clearly divided parties in the Republican camp, both democratic in theory, both professing love of country and the well-being of the people, but representing, nevertheless, in their very differences, the eternal struggle of the "haves" and the "have-nots." The Conservatives of China to-day are the followers of K'ang Yu-wei and Liang Ch'i-ch'ao, of the league of the T'ung Yi-t'ang, Constitutional Reformers. The T'ung Meng-hui of the Radicals, under the nominal leadership of Sun Yat-sen, soon became a babel of confused voices which, for a brief moment last spring, was dominated by the personality and presence of its most distinguished member—the Premier, T'ang Shao-yi.

Examining the general political conditions of the country at this period, we perceive that Canton is to China what Paris was to France in 1789, and that the first Republican schism was a schism between groups of Cantonese politicians. Its inherent differences, dating back many years, are differences of personalities rather than of principles. The Chinese Girondins, for the most part timid doctrinaires and visionaries, had, at the outset, little chance of successfully

asserting their opinions against the noisy activities of the Jacobins; but they represent, for all that, solid and permanent elements in the State, *literati*, the peasants and the merchants, who believe instinctively in law and order. The Jacobins, on the other hand, have gradually become identified with a policy very similar, in aspiration and methods, to that professed by the advanced Radicals of Portugal (Sun Yat-sen is merely Dr. Affonso Costa, Orientalised); but their position is inherently weak as compared with that of European Jacobins, because in reality they do not represent any considerable section of the populace.

Four months after the inauguration of the Republic we find the *North China Daily News*, the leading English journal in China, which had consistently sympathised with the cause of the Revolution, commenting editorially[1] on the chaotic conditions then prevailing in the Kuang provinces, thus:

"The state of chaos that exists at the moment in China as the result of the weakness and incompetence of the Peking Government, is emphasised nowhere as it is in the two Kuangs. Judging from recent telegrams and the reports of correspondents, a southern contemporary is only stating the plain truth when it says that the country is arousing itself to a pitch of revolt, compared with which, when it breaks out, the bloodiest days of the revolution may pale into insignificance. . . . Everywhere the sweeping reforms of the past four months have been viewed with apprehension, because it was patent to all foreigners that they were instituted without adequate foresight, knowledge or definite constructive policy. . . .

"In the South, as in the North, the key to the situation is finance. At the time that Canton declared her independence, large numbers of banknotes for which there was no silver reserve, were printed and issued. Now that there is a greater financial stringency, the people are beginning to

[1] June the 18th, 1912.

FAMINE REFUGEES ON THE TRAMP.

realise that these notes are only of the value of so much paper. . . . Work is scarce, rates of wages are low, and the exercise of the so-called martial law has made the conditions of life almost unendurable. The stories of unthinkable atrocities and licensed butchery, often the fulfilment of private revenge, are such that few correspondents care to relate more than the barest facts. Any confidence that may have been placed in the Provincial Assembly has been dispelled by the stories of the orgies in which some members are alleged to indulge and the absolute lack of any signs of ability to do more than obstruct the senior official of the Government."

(Contemplating these results of a generally approved though necessarily futile effort to remedy social evils by the sudden rearrangement of a revolution, the mind reverts to the fundamental truth of Herbert Spencer's words, "out of the nominally free government set up, a new despotism arises, differing from the old by having a new shibboleth, and new men to utter it; but identical with the old in the determination to put down opposition, and in the means used to this end.")

Small wonder if, under such conditions, not all the persuasive eloquence and patriotic fervour of Dr. Sun Yat-sen could make the post of Governor-General of Kuangtung attractive to any Sea-green Incorruptible of the Republic. In November, 1911, Chan Kwing-ming, an ardent Republican whose ambition it was to lead the semi-piratical forces of Kuangtung to the capture and sacking of Peking, found himself appointed Governor-General of Canton by the orders of Sun Yat-sen; his protests were unavailing and he reluctantly assumed office. He seems to have done his best to control the disorderly elements in his district, checking the looting propensities of his ex-pirates and disbanding a considerable number of the local militia. Unfortunately for him, he committed the blunder of executing the editor of a native journal, for inciting to violence and sedition; whereupon Young China

turned upon him as one man. When, therefore, he was notified that Sun Yat-sen was returning to Canton (in May), bringing with him one Wang Ching-mai, a former Governor of Kuangtung, who (much against his will) would take over the Governorship, Chan stood not upon the order of his going, but left secretly and in haste, for the safe refuge of Hongkong. Wang Ching-mai, in the meanwhile, had decided, upon final reflection, to abide there also. Sun Yat-sen was therefore obliged to find another candidate; several prominent Republicans found the occasion opportune for visits to their ancestral tombs or to their relatives in distant parts of the country. From all of which the leading English journal was led, more in sorrow than in anger, to the conclusion that "Canton, more than any other province, demonstrates the need of the establishment of a strong Government under capable leadership at the earliest possible moment; for however often we may be told that the people of China are democratic at heart, the fact remains that nothing but a strong central authority can command respect and peace among the Sons of Han." It would have been well for China and for the world at large had this wisdom come to the foreign Press in China, and found its echo at home, in time to prevent the Chamber of Commerce, and other influential bodies, from opposing the policy of Yuan Shih-k'ai, the one "strong central authority" in China.

THE T'UNG MENG-HUI'S POLITICAL PLATFORM.

The ascendancy of Cantonese Young China and the influence exercised by the T'ung Meng-hui and its student-officials, are matters which directly concern the commercial interests of foreigners in China. For if there be one solid plank in their platform, it lies in their determination to press by all possible means for the early abolition of foreigners' extra-territorial rights and for the recovery of tariff autonomy. Already, by a well-organised Press campaign, and by making

the utmost of British sympathy with China's natural aspirations, the ends are being rough-hewn to these purposes. Theoretically, the arguments advanced in favour of these changes by the *élite* of China's Western-learning Intelligents, are irrefutable. Peking used to hear them daily from Yuan Shih-k'ai's Cantonese lieutenants at the time when T'ang Shao-yi succeeded in driving his first wedge into the Foreign Inspectorate of the Imperial Maritime Customs, by the Edict of the 9th of May, 1906. The Chinese graduate from Harvard or Yale, easily able to hold his own with the most intelligent and cultured foreigner, had no difficulty in proving the injustice of a system which, as T'ang Shao-yi was fond of explaining, was a survival of the Taiping disorders. Of the intellectual capacity of the educated Chinese, there could be no question; of their good intentions in the matter of reforms, there was no reason to doubt: China was their country, and the privileged position claimed by Europeans was a stumbling-block to progress, since it humiliated the Chinese Government in the eyes of its own subjects. The fallacy which underlies the patriotic arguments of T'ang Shao-yi and his followers, lies, as they are well aware, in the assumption that Young China has developed the virtue of common honesty, of personal integrity in the handling of public business and public money. It is an assumption which nothing in their history or our experience justifies; nevertheless, the very men who openly accuse each other of malversation, will solemnly maintain it as a self-evident truth, established beyond all question of reasonable beings. Members of the Diplomatic Body naturally experience some difficulty in declining to approach the question on this basis, if only because of the impossibility of proving a negative proposition. Given proof that the Chinese official class is capable of producing even a limited number of honest administrators and incorruptible Judges, and that it has done so, and there would naturally cease to be either necessity or

justification for the Foreign Customs Inspectorate and for the maintenance of extra-territorial rights. The *amour-propre* of Cantonese Young China is offended by this aspect of the question. "Squeezing," they will tell you, is a trivial fault, an ancient custom which still persists amongst a certain number of the unenlightened, but it will surely fade, like morning mist, before the coming reforms, in which Europe must co-operate by the abolition of the extra-territorial anomaly. They cite the prevalence of "graft" in America as proof that a State may be corruptly administered and yet be great. The men who argue thus are well aware that the fine flower of their class, T'ang Shao-yi and his American-educated colleagues of the Chihli administration under Yuan, have made fortunes by the old time-honoured methods of "squeeze." The real sentiment at the back of their contentions is one of wounded *amour-propre* and resentment at the assertion of superior force implied by the foreigners' control of the Customs and exemption from Chinese jurisdiction. It is a sentiment which, forgetting China's obligations under foreign loan and indemnity agreements, is rooted in the perfectly intelligible but impossible idea of "China for the Chinese"—the idea which makes Chinese officials long for the abolition of this *imperium in imperio*. Frankly stated, the contention of the Cantonese amounts to saying: "This is our country, and such squeezing as exists is our own business. Stay, if you like to accept us and our customs: if not, go your ways!" This is the idea which underlies the pathetic appeals of native journalists for "national subscriptions," to pay off the national debt, and thus to deprive the foreigner of any excuse for further interference with the affairs of China—subscriptions which go little further than the pockets of the mandarins and patriots who collect them.

EXTRA-TERRITORIALITY.

Since Japan abolished extra-territoriality by proving her just claim to an honourable place amongst civilised nations, every sincerely patriotic Chinese has felt more acutely than ever before the humiliating position occupied by his country under the existing Treaties, and the Western-learning Cantonese have been conspicuous for the persistence with which they have given expression to this sentiment. It was a Cantonese who advised Chang Chih-tung to insist on the inclusion in the Mackay Treaty (1902) of a clause providing for the abolition of extra-territorial rights, contingent upon the consent of all the Powers and Chinese effective reform of her judicial methods. It is due to the initiative of the Cantonese, led by Wu Ting-fang (himself a barrister of Lincoln's Inn), that the Chinese Government has compiled its interminable and abortive Codes of Regulations for Civil, Criminal and Judicial procedure. It is with a view to persuading European public opinion of the sincerity and rapidity of China's progress on the path of reform, that Cantonese Young China loudly proclaims through its Press the establishment of Trial by Jury in China on the strength of one farcical performance at the Mixed Court of the Foreign Settlement at Shanghai. Imbued with the same perfectly reasonable but unattainable ambition, Sun Yat-sen proclaims that the position of foreigners in China cannot fail to be greatly benefited by the abolition of their existing privileges and rights: he foresees that a marvellous development of trade will synchronise with the rapid spread of Christianity, when the Chinese is master again in his own house. This, indeed, is no new doctrine; it was earnestly preached by Wen Hsiang, "the last of the Manchus," in the sixties; but it has assumed a new aspect of late years by reason of the steadily increasing volume of public opinion in Kuangtung, and of the evidences given by the Cantonese party of its capacity for organised retaliation in the shape of

trade boycotts. Most of this Cantonese public opinion, amongst Western-learning students and returned emigrants, is based on democratic principles of American origin; to the uninformed observer, these naturally appeal with greater force than the arguments in favour of extra-territorial rights which, when all is said, are based on principles of expediency and force. As Mr. Morse (himself a faithful servant of the Chinese Government) has well said:

"This remedy for the intolerable situation of the first half of the nineteenth century has now been in force for sixty years, and through it, life in China has been rendered possible for all foreigners. . . It has no logical or moral argument to uphold it, and yet it is a necessity of the case, if the foreign merchant and the foreign missionary are to remain in the country. The right will not, and cannot, be abrogated until all the foreign Powers concerned are unanimous in their opinion that residence in China will be as safe, and protected by guarantees as sound, as in other countries, or until the growing strength and improved administration of China herself enable her to claim and to maintain the right of governing all within her borders."[1]

The Cantonese leaders of Young China proceed by asking Europe to assume "the growing strength and improved administration" (in which matter they have received no little assistance from a certain section of the foreign Press); to abolish extra-territoriality first and reap the reward of their faith in due course. Precisely the same line of argument has been brought to bear with complete success upon the British Government to secure the abolition of the Indian opium trade. For those who have closely studied China and its politics, these arguments fail to convince, not because of their want of logical and moral weight, but because of the ulterior personal motives of those who advance them. Once more, we come back to the root of the whole matter; to the lack of personal integrity in the

[1] *The Trade and Administration of the Chinese Empire.* By H. B. Morse. 1908.

official class, which frustrates every popular impulse and every individual effort in the direction of sincere reform.

The Cantonese Republican who should fail to support the party platform in these matters, be he Moderate or Radical, would be branded as a traitor to the cause. But the Chinese politician, like the soldier or the student, is no individualist in matters where public opinion is formed by mass pressure; in such cases, he moves in droves or herds, ruled by the inexorable guild system, swayed by common impulses of enthusiasm, fear or greed. Therefore the Cantonese party, whatever its other differences, is unanimous on this subject—more unanimous even than in the matter of provincial control of railway construction and other lucrative enterprises. In the latter question, it exhibits separatist tendencies of local autonomy, the inveterate spirit of locality; in the former, something which approaches nearer to a common cause of patriotism, and in which its lead has been readily followed by Young China as a whole.

THE FOREIGN-LEARNING CANTONESE UNDER YUAN IN CHIHLI.

The qualities which account for the predominant influence of the Cantonese party, and also for its ineffectiveness as an agency for national reform, have never been more clearly demonstrated than when, under Yuan Shih-k'ai's Viceroyalty of Chihli, the foreign affairs of the nation and many administrative posts in the metropolitan province, were held by his American-educated Cantonese lieutenants. Of this highly intelligent, capable and energetic group of officials, T'ang Shao-yi was generally recognised to be the leader and moving spirit. T'ang was well known to foreigners in general, and to the relieving forces in particular, as Managing Director of the Northern Railways at Tientsin during the Boxer troubles; as the result of an unpleasant incident connected with the supply of loco-

motives for Admiral Seymour's force, he narrowly escaped execution at the hands of the British Naval authorities. In January, 1907, thanks to the protection of Yuan and to his own exceptional ability, he had risen to a position never before equalled by any foreign-educated official, combining the posts of Director-General of Railways, Vice-President of the Waiwupu and High Commissioner of Customs. His combined salaries at this time were about £25,000 a year, and all business connected with foreign affairs, financial and political, was concentrated in his hands. At this time, the Customs Taotaiship at Tientsin and the management of the Northern Railways were also held by American educated Cantonese, and their fellow-provincials gradually established themselves in every department of the metropolitan administration to the unconcealed chagrin of the Hunanese and Fukhien cliques. The clannishness of the Cantonese, combined with their unquestionable capacity for business, enabled them to triumph over the intrigues of rival factions. With their incessant rallying cry of "sovereign rights," by their intimate knowledge of the jealousies and differences which prevented any united action by the Powers, they were able gradually to obtain control of railway finance and to undermine the position of Sir Robert Hart as Inspector General of Customs. T'ang Shao-yi, in discussing the Customs question, boldly voiced the opinion of Young China that the highly-paid foreign staff was largely superfluous, and that Chinese *employés*, *i.e.*, Cantonese, were quite capable of taking its place. The vital issue of honest administration in this case, and many others, was burked and confused by vague assertions of China's sovereignty, undeniable in theory but wholly inadmissible, in view of the bondholders' rights, so long as China remains a debtor and administratively corrupt. Even at that date, those who came into close contact with T'ang and his work formed the opinion that, while ostensibly representing the policy of Yuan Shih-k'ai, his real sympathies and ambitions were

those of the Cantonese party.[1] And there was never any doubt, in the minds of those who studied the methods and results of the Cantonese in lucrative posts at this most interesting period, that foreign education and progressive sentiments availed nothing to check the official corruption of the mandarin. Sir Robert Hart, himself a loyal supporter of "China for the Chinese," was constrained to admit that the establishment of mandarin control over the Customs must lead to the debasement of the administration, and to confess that the corruption of the Chinese official class alone had prevented him from entrusting natives with the higher duties of revenue collection.

With the fall of the great Viceroy after the accession of the Regent, the Cantonese party in the North lost most of its power. Liang Shih-yi, at present *fidus achates* to Yuan, retained for a time his post at the ministry of Communications; Liang T'un-yen, as *protegé* of Chang Chih-tung, continued to hold office as Vice-President of the Waiwupu, and Jeme Tien-Yow was left in charge of the Kalgan Railway: but their position was evidently insecure. T'ang Shao-yi, peremptorily recalled from his special mission to the United States, retired into private life. The tendencies of the party, as a whole, became more pronouncedly anti-dynastic and revolutionary than they were at the time of the *coup d'état* in 1898. At the same time, the evidence of Canton's ambition and cohesion afforded during the six years of their control of affairs in Chihli undoubtedly served to educate and organise the rival factions of the Northern and Central provinces against Cantonese domination, with results apparent to-day in the concerted opposition to the T'ung Meng-hui in the National Assembly.

But, for good or evil, the Cantonese are undoubtedly the brains and backbone of the progressive movement in China. Their restless activity and keen political acumen, their

[1] *Vide* special article on T'ang Shao-yi in *The Times* of the 18th of January, 1907.

powers of organisation, intelligence and business capacity, form a combination of strength far superior to anything which Chihli, Kiangsu or Hunan can produce. They possess, moreover, an undisputable advantage in the moral and financial support of the Cantonese communities overseas. It may fairly be predicted that Canton will either succeed in dominating the internal politics of the Republic, by virtue of its superior organisation and knowledge of democratic institutions, or that it will insist upon conditions of provincial autonomy which will make an effective Central Government impossible.

YOUNG CHINA'S LEADERS.

It is too early at present to predict whether nationalism or separatist tendencies will eventually carry the day. The causes and symptoms of the provincial autonomy, or Home-Rule all-round, movement will be separately considered in the next chapter; for the present, suffice it to say that the disruptive forces are many and increasing. But just as a wave of genuine popular enthusiasm served to remove the anti-opium movement for a time above and beyond the vitiated atmosphere of mandarin self-seeking and duplicity, so it is conceivable that by some such manifestation of the good sense and patriotism of the nation, Young China may yet rise on stepping stones of its dead self, and subordinate its personal ambitions and parochialism to national ends. Much depends, in the inevitable crisis, upon the quality of the leaders and upon their perception of the country's imminent perils: much, too, upon the attitude and counsel of the representatives of the Anglo-Saxon Powers, to whom, in the last resort, the educated Chinese instinctively turn for sympathy and justice.

The personality of Young China's leaders becomes, under these circumstances, a matter of no small moment. It may serve to enable the reader better to appreciate Young China's

political tendencies and the general course of events if I outline briefly the personalities and careers (as I have observed them) of the four Cantonese most prominently associated with the genesis of the Republic; namely, Sun Yat-sen, T'ang Shao-yi, Wu Ting-fang and Wen Tsung-yao. The type which these men represent, be it remembered, is a product, not only of the comparatively recent impact of the West and of the new forces thereby created, but of ancient tutelary influences which have been operating through long ages. They are products of all their antecedents, remote as well as proximate. It is by recollection of this fact, and by approaching the study of Young China in the light of biological science, that we are able to grasp the significance of certain salient traits in the character of its leaders, and notably of an old-world quality of naive simplicity, a patriarchal, Book of Job philosophy, to be observed in the *vie intime* of the most advanced of the moderns.

It was said to me some years ago by an American, who had known Wu Ting-fang during his first term of office as Chinese Minister at Washington, that the things which chiefly contributed to his success as a popular personage in the United States were the intelligence which he displayed as an after-dinner speaker, his Oriental finesse, and the atmosphere of philosophical detachment and ethical superiority which he seemed to bring into the sordid world of politics and business. Most Europeans have felt something of the same kind in their dealings with the Chinese; a dim perception of the hoary wisdom and immemorial experience that lies behind their conception of life; a sense that, despite all his surface blemishes, even the "squeezing" mandarin is often nearer than we ourselves to the essential humanities, to the things that matter, to appreciation of the fundamental purposes and universal relations of existence. Men of the class of Wu Ting-fang and T'ang Shao-yi are perfectly well able to hold their own with foreign experts in the discussion of diplomatic or

financial questions, but their finest performances leave one with a vague sense of artificiality. They do these things, not because they like them, or believe in them, but to prove their skill in meeting the materialism of the West on equal terms; but one feels that the Canons of the Sages are really more important, and that the achievements of Western civilisation provoke neither admiration nor desire of emulation in the innermost soul of the people; that, in their hearts, most of the exponents of Western learning wish that we might take ourselves and that learning away, and leave the Chinese people to walk undisturbed in the ancient ways. In dealing with the *grands seigneurs* of China's literary caste, upright officials of the rare type of Liu K'un-yi and Chang Chih-tung, one felt an instinctive reverence for their patriarchal outlook on the universe, a perception of the fact that excellence in the mechanical arts may be purchased at the price of spiritual insight. Even in dealing with mandarins whose official careers are most deeply tainted with nepotism and greed, if one remembers the antecedents and economic condition of the society which has produced these results, one ceases to judge this unpleasant feature of Chinese life from the standpoint of European morality and to approach it rather in the tolerant spirit with which we regard certain personages of the Old Testament.

WU TING-FANG.

Wu Ting-fang, senior of the two signatories of the first Republican Manifesto issued from Shanghai, has long been known to foreigners and honourably distinguished under the old *régime* for his efforts to introduce humane methods into the administration of justice in China. A barrister of Lincoln's Inn, for many years engaged in practice at Hong-kong, he became a government official comparatively late in life, and was one of the first foreign-educated Chinese to hold high office under the Monarchy. In the United States,

as Chinese Minister, he achieved a world-wide reputation for diplomatic ability, and became the spoiled child of the American Press. He followed the example of Li Hung-chang in cultivating an *enfant terrible* style of conversation, of impertinent questions and cryptic answers, most novel and effective. His perfectly natural simplicity and bonhomie passed for the subtlest form of Oriental diplomacy. Between 1903 and 1907, prior to his second term at Washington, he held office at Peking in the Boards of Commerce and Foreign Affairs, and was employed in the academic revision of China's legal codes. In 1906 he submitted for the approval of the Throne his proposals for the amendment of judicial procedure, suggesting, *inter alia*, the adoption of trial by jury. His memorial being incontinently shelved by the Grand Council, Wu, thoroughly discouraged by the outlook of affairs at the capital, retired to the dignified repose of his luxurious European villa at Shanghai. (Like many another patriot, he had invested much of his wealth in that Foreign Settlement in which Young China sees a perpetual menace to China's sovereign rights, but to which it flocks in thousands for protection at the first sign of trouble.) At Shanghai he came naturally into close touch with the Cantonese leaders of the revolutionary movement, and showed his sympathy with the aspirations evoked by the Russo-Japanese war. He accepted re-appointment as Minister to America in 1907, at the instance of T'ang Shao-yi, who hoped that the presence of a *persona grata* at Washington might assist in engaging the American Government's active sympathy against the encroachments of Japan in Manchuria; but his loyalty to the Manchus had been visibly shaken, and his prompt acceptance of the Republican programme in October, 1911, evoked no surprise amongst those who knew how deeply he had resented Peking's cavalier treatment of his proposed reforms. In foreign politics, Wu Ting-fang has always preserved something of the detachment of an amateur; in public affairs

he is a humanitarian doctrinaire; and in private life, a most courteous and affable gentleman. He believes implicitly in nuts as the proper food of mankind, and his attitude towards the exuberant iconoclasm of Young China is suggestive of a hen that watches her brood of ducklings taking to the water.

WEN TSUNG-YAO.

Wen Tsung-yao represents the less attractive but more common type of the ambitious, intriguing politician. Well equipped for the struggle in the possession of remarkable intelligence and a good education, he has never wasted any of his energies in the pursuit of philanthropic phantoms, nor sacrificed any opportunities on the altars of reform. His has been the career of the successful party intriguer, with a fine *flair* for the winning side. He commenced life as an ardent patriot and reformer, employed as sub-editor of the progressive *Universal Gazette*, then the organ of the Marquis Tseng, at Shanghai. As a member of an anti-dynastic and revolutionary society, he became involved in the "Supao" newspaper sedition case, and owed his life to the protection of the Shanghai municipal authorities. He subsequently took service under Mr. Willis E. Gray, Engineer-in-Chief of the (then American) Canton-Hankow Railway; as Interpreter, he was engaged in land purchases and other preliminary work, from which he emerged a wiser and a richer man. This was in 1905; in the following year he had blossomed out into a mandarin of the fourth rank and was acting as Confidential Secretary for Foreign Affairs to the Viceroy Ts'en Ch'un-hsüan, a very different Wen, in mind, body and estate, from the fighting reformer of three years before. He won the favour of the Viceroy (a Kuangse man) and of other high officials by the part he played, with consummate skill, in the intrigues at Peking which brought about the impeachment of T'ang Shao-yi and his removal from his lucrative posts at the Ministry of Communications in the spring of 1907. Wen's

T'ang Shao-yi in European Dress.
1912.

T'ang-Shao-yi in Chinese Dress at his Private Residence in Peking.
1907.

path to fortune was now clear. In June of the following year he was appointed Assistant Resident of Thibet, where he served the Throne with much tact and ability, winning golden opinions on all sides. The outbreak of the Revolution found him once more at Shanghai, where, shrewdly anticipating the collapse of the Manchus, he boldly threw in his lot with the Republican stalwarts. The part which he had played against T'ang Shao-yi was not forgotten, however, by the T'ung Meng-hui, and Wen Tsung-yao's claims to distinction were ignored by Sun Yat-sen's Provisional Government at Nanking. In June, he declined T'ang Shao-yi's proposal that he resume duty in Thibet, and is now understood to share the views of the Constitutional party. But in China the test of political merit is success, and public opinion sees nothing reprehensible in the tactics of the Vicar of Bray. In private life, Wen Tsung-yao is an extremely sympathetic person of engaging manners and conversation.

T'ANG SHAO-YI.

Of T'ang Shao-yi, that highly complex and fascinating personality, it is more difficult to speak. Around him, the best-loved and the best-hated of China's notable men, the faction fights wax fiercest. Judging from personal experience, I cannot but think that much of the criticism which has been directed against him in the matter of the "Four Nations" loan negotiations, and his subsequent flight from Peking and the Premiership, has failed to take into account a peculiar trait in his character, for which his Chinese intimates had learned to make allowance. I mean a certain tendency to sudden disenchantment, a petulance of discouragement, which left him abruptly weary of the sordid ungrateful world of politics and all its intrigues. His buoyant enthusiasms, frequently born of utter *naïveté* of vision, were apt to produce in his alert and ambitious nature

sharp crises of reaction. Of the charges of venality that have been publicly brought against him by his own countrymen it is unnecessary to speak, for the simple reason that, in a country where peculation of public funds is the rule and not the exception, such charges denote merely an unusual fierceness in the parties' struggle for place and power. In his conduct of foreign loan negotiations in the past—and he has handled more than any other official in China—no definite charge of corruption had been made against him: which is more than can be said for his predecessors or successors in office. In the handling of negotiations, financial and political alike, T'ang always displayed a decided tendency to Oriental "slimness" which, by European standards, came very near to chicanery. Newly arrived diplomats and financiers, much impressed by his American frankness of manner and apparent knowledge of affairs, were disposed to regard him and his work as constituting a radical departure from the traditions of the Waiwupu: but they learned before long to revise that opinion. T'ang's methods were constructed of purely Oriental material, with a workmanlike surface polish of Occidental origin.

THE "BELGIAN" LOAN NEGOTIATIONS.

The bankers of the "Four Nations" group and their respective Legations poured out upon the head of T'ang Shao-yi the vials of their wrath in the matter of the Belgian loan. The breach of faith was certainly undeniable; but the bankers' representatives were no novices in Chinese diplomacy (the Germans, in particular, had witnessed similar incidents with equanimity and sometimes with profit), and their professed belief in Yuan Shih-k'ai's complete ignorance of T'ang's proceedings was as disingenuous as the Chinese plea of injured innocence. *The Times* correspondent at Peking, voicing official opinions, described the breach of faith

as "a blunder for which T'ang Shao-yi was wholly responsible," but as Yuan himself had signed the Belgian loan agreement on the 14th of March, this conclusion assumes incredible carelessness on the part of the President and equally incredible audacity on the part of his Premier. Gauged in the light of all previous experience, the incident was merely an exposition of traditional Chinese statecraft, of the inveterate policy of "setting one barbarian against another." It failed because, for once, the Powers concerned were prepared to take united action; but there is reason to believe that T'ang fully expected that the Russian Government, which was behind the so-called Belgian loan, would be able to induce the French financiers to abandon the "Four Nations" group. The hostility of the Banks and Legations, combined with the attacks made upon his financial administration by the bolder spirits of the T'ung Yi-tang in the Advisory Council, produced in T'ang Shao-yi a crisis of resentment which ended in his abrupt departure from Peking in June, his resignation of the Premiership, and the subsequent withdrawal of his T'ung Meng-hui colleagues in the Ministry. Here again, the petulance of his conduct and its deplorable lack of dignity are undeniable; but headlong impulsiveness has always been a marked trait, and not the least engaging, of T'ang Shao-yi's character. His enthusiasms, his splendid energy and talents, have fallen short of great achievements by reason of the Oriental's lack of sustained and purposeful will power—a defect of the race.

In narrating the growth of the Republican movement, I have described T'ang's bad faith in serving the Imperial cause; of the innermost aspect of that matter, however, it is difficult for the spectator to judge. Public opinion, amongst the Chinese, saw nothing to condemn in it, and Yuan himself, either for public or for private reasons, condoned the offence. All the dealings and relations of the Chinese in matters political are so instinct with duplicity that our attempts to define individual responsibilities and motives must fail. To

this feature of T'ang Shao-yi's character I need not return: but in justice to him, it must be admitted that even at the height of his metropolitan career and before the downfall of Yuan, he made no secret of his Radical propensities; whilst those who know him best have always felt that the interests and sympathies of his native province would mean more to him in a crisis than any other allegiance. The Regent's colossal blunder in wreaking vengeance on Yuan and his adherents merely served to increase the Cantonese party's cohesion.

As exemplifying T'ang Shao-yi's diplomatic methods, the following incident is instructive. In November, 1907, he was Governor of Moukden, having been ousted from his lucrative posts at Peking and sent to Manchuria to help the Viceroy (Hsü Shih-ch'ang) in resisting the encroachments of the Japanese in that difficult and dangerous post. T'ang's masterful personality soon dominated the situation, the Viceroy willingly playing second fiddle. It was part of T'ang Shao-yi's policy to head off Japan's schemes by the establishment of British and American vested rights and interests, especially in the matter of railways and mines. The device of setting one barbarian against another is the ancient corner-stone of all China's policy, but his methods of applying it were marked by qualities of intelligent anticipation and mastery of detail very rare in China. (It may here be remarked that, had it not been for the death of the Empress Dowager and the subsequent downfall of Yuan Shih-k'ai, T'ang's carefully laid plans and his mission to Washington in 1898–9 would assuredly have effected important changes, advantageous to China, in the critical position of affairs which he found in Manchuria).

T'ANG SHAO-YI'S POLICY IN MANCHURIA.

Part of his scheme for arresting Japan's policy of "peaceful penetration," her conquests by railway and bank,

consisted in enlisting the assistance of British contractors and capital for the construction of a railway to connect Hsiu-Min-t'un with Fakumen—a line which he intended subsequently to extend northwards to Tsitsihar—thus developing a vast and fertile region for the benefit of the Chinese Northern Railway system and Tientsin, instead of allowing it to be exploited by the Japanese for the advantage of the South Manchurian line and Dalny. Acting as the representative of British capitalists, I happened to be engaged in negotiations with T'ang Shao-yi for the financing of the proposed railway, and on the night of November the 20th, the terms having been settled, we met to sign and contract at the Moukden Governor's Yamên. Prior to signature, we took dinner in one of the new and hideous "foreign" apartments of the Yamên. We talked, I remember, of Egyptian monuments (the Viceroy's hobby being archæology) and of cat-worship; of an unidentified beast of the hippopotamus tribe declared by T'ang to frequent the great marshes of the Sungari; of American agricultural methods for Mongolia—of everything and anything, in fact, except local politics. After dinner, five of T'ang's children came in, and the eldest of his daughters was told to play the piano. Our feelings, as we listened, were mixed; divided between sympathy for a father so justifiably proud of his Young China, and sorrow for poor Schumann. Before midnight, the fateful contract was signed. At this point, it occurred to me to inquire whether Japan might not be expected to offer serious objections to the scheme and to block the issue of the Imperial Edict required for its final sanction. To this, T'ang Shao-yi replied that he had carefully considered every possible difficulty and was convinced that no apprehension need be felt on this score. The subsequent history of the Fakumen Railway, and Japan's final veto of the enterprise, are matters of history and common knowledge. What is not known, however, is the fact that, at the moment when T'ang Shao-yi

put his signature to the contract, he had in his boot[1] a copy of an official despatch, addressed to the Waiwupu by the Japanese Minister at Peking, informing them that the Chinese scheme for building this line had come to the knowledge of the Japanese Government, and that any conclusion of negotiations in the matter would require to be preceded by its expressed consent, as an interested party. When, some three weeks after the signature of the agreement, the existence of this despatch came to my knowledge, I asked T'ang Shao-yi for the explanation of his apparently gratuitous bad faith. He was in no wise perturbed by the exposure of his methods. On the contrary, he suggested that I also must have been well aware of the Japanese Government's attitude in the matter, for did not the Anglo-Japanese Treaty of Alliance stipulate that Japan should fully and frankly consult with Great Britain in any case where her special interests were affected? And if the British Legation knew of the Japanese protest, surely they would not leave British agents in the dark. T'ang was well aware, of course, that there had been no "full and frank" consultation—he knew that the British Minister at Peking was not even informed of the objects which Japan intended to attain by the supplementary articles attached to the Peking Treaty of December, 1905. Those who profess to wonder and sorrow at the bad faith shown by Republican China in the recent loan negotiations may do well to remember that Yuan Shih-k'ai was a party to the elementary duplicity of this Fakumen affair.

T'ang Shao-yi's politics and diplomacy conform, in fact, to the Oriental traditions—as inevitably they must. His personality represents the most interesting variety of what is emphatically an exotic and artificial type. Education at Harvard or Oxford may imbue the Chinese student with ideas and social tendencies apparently antagonistic to those

[1] Chinese officials in mandarin costume carry papers in their wide knee-boots.

of the patriarchal system of his native land; but they do not, and cannot, create in him (as some would have us believe) the Anglo-Saxon's outlook on life, the standards of conduct and the beliefs which are the results of centuries of our process of civilisation and structural character. Under his top dressing of Western learning, the Chinese remains true to type, instinctively detached from the practical and scientific attitude, contemplatively philosophical, with the fatalistic philosophy of the prophet Job, concerned rather with the causes than the results of things. Your barrister of Lincoln's Inn, after ten years of cosmopolitan experience in London or Washington, will revert in six months to the ancestral type of morals and manners; the spectacle is so common, even in the case of exceptionally assimilative men like Wu Ting-fang or the late Marquis Tseng, that it evokes little or no comment amongst Europeans in China. It need not surprise us, therefore, if Young China's display of Western learning and Western manners suggests, in many of its manifestations, a precocious youngster's pride in showing off new clothes or new accomplishments—fearful, but quickly-fading, joys that, passing, leave him at heart a mandarin. T'ang Shao-yi, though head and shoulders above the average of foreign-educated Chinese in education and breadth of mind, displays this characteristic of his class. He loves to play to the gallery, to *épater le bourgeois*, his *bourgeois* being either his mandarin colleagues or the foreign Ministers, according to the moods and opportunities of the moment. It was never difficult for him, with his fluent command of English and wide experience of foreign lands, to impress his remarkable personality on the fossilised *literati* of Peking as a new and strange force in metropolitan politics; but he succeeded at the same time in commanding the unstinted admiration, if not the unswerving loyalty, of the Cantonese progressives, whilst European diplomacy, after 1900, came speedily to recognise in him a master-hand. Brilliant and forcible, he combines the free-and-easiness of an American

with the dignity and elusive sublety of the Oriental; frank democratic *sans-gêne* with the classical *hauteur* of the mandarin, and he knows, with intuitive genius, the manners and methods to adopt with all sorts and conditions of men. And withal, because he is himself of the people, of a race that will commit suicide to gratify a pique or passion, he cannot rid himself of the *naïve* vanity and susceptibility to sudden reactions of which I have spoken; and this, despite a perfectly sincere and natural modesty. Love of power, and the admiration of his fellow-men, are as the breath of his nostrils, the goal for which he labours unceasingly; yet his largeness of heart, his capacity for friendship, his love of flowers and children, books and rare porcelain, his simple tastes and patriarchal habits of life, all bespeak the philosophic mind. A highly complex personality, born in strange days and bred in strange ways; a passionate theorist, straining at the gnats of real life and swallowing the camels of Utopia, his foreign politics are a blend of Chauvinism, tempered with expediency, even as his domestic life is a compromise between Western standards and China's patriarchal system. In internal politics, he displays all the clannishness of his people, his vigorous assertion of "China for the Chinese" being qualified in practice by scarcely concealed contempt for those who have not the good fortune to be Cantonese. His manifest faith in the capacity of the American-educated Cantonese to deliver China out of all her afflictions would be more convincing, it is true, if the loaves and fishes of office were more discreetly handled, and if he could point to something definite in the way of regenerative effort. But T'ang, like all educated Chinese, believes in the magic virtue of words and forms of government, in making a nation wise and strong by Acts of Parliament. He believes in his ready-made Republic (or did) as he believes in the sudden and complete abolition of opium. He believes (or did) in the vision of a new China, firmly united in bonds of patriotism. But, above all, he believes in the Cantonese as apostles of the

T'ang Shao-yi and part of his Family.

Photo, Fu Hsing, Tientsin.

new dispensation, and in himself, as the predestined leader of the Cantonese.

Even in the face of disillusion and the doubts which overtook him last June, T'ang Shao-yi cannot afford to depart from the T'ung Meng-hui's programme of exuberant and ignorant patriotism. It is the common fate of Radical leaders that they must give hostages to Fortune not easily redeemed ; and T'ang, in accepting the Premiership as leader of the Cantonese extremists, gave many. The end is hard to foresee, but it is almost impossible to believe that the aims of North and South can be permanently reconciled.

In private life, T'ang Shao-yi is noted for a liberality which borders on extravagance. At the height of his fortunes in 1907, his house in Peking gave shelter and sustenance to 180 persons—family, relatives and retainers—and he was then paying for the education of seven nephews in England and America. His house was a caravanserai, a tribal warren ; and in the midst thereof, T'ang the Radical Republican, arch-enemy of the Manchus, Young China's chief dreamer of dreams, lived and moved, like a patriarch, seeking relief from the cares of State in the pleasures of his chaotic domesticity, in his curios, flowers and books. In him, and in his house, the antagonistic social systems of East and West have waged unceasing conflict ; and the result is a highly complex and interesting personality.

SUN YAT-SEN.

Of Wu Ting-fang, Wen Tsung-yao and T'ang Shao-yi, I speak from personal acquaintance, and my misgivings concerning their political theories and practice are tempered by many pleasant memories of friendly social relations. Of Sun Yat-sen, the perambulating Conspirator-in-Chief of the Radical Republicans, I can only form an opinion by the light of his published writings and speeches, and by the sentiments which he inspires in his followers. I have already

referred to Dr. Cantlie's description of the man.[1] It is an unrestrained panegyric and frank expression of hero-worship, and evidently of little value as a critical study of the reformer and his work, Young China being therein idealised out of all recognition. Sun Yat-sen is undoubtedly a sympathetic and, in many respects, an admirable character, unselfish, patriotic and courageous, imbued with an unswerving faith in his own ideals and untiring energy in their pursuit. His sincerity, personal honesty, and determination of will stand out in welcome relief against the sordid background of contemporary Chinese politics.

In many ways he recalls the character of Danton. He is more of a visionary and idealist than the great Jacobin, and less of a politician ; but he resembles him in the restless and energetic temperament of the born conspirator. Like him, he is no believer in promiscuous bloodshed, and recognises the necessity for soothing and allaying the lawless spirit of insurrection evoked by the Revolution, and for reconciling civil hatreds in the State. He has all Danton's incapacity for practical administration, combined with his optimistic belief in the reformation of humanity by force of institutions, and a robust faith in himself as the Heaven-sent Reformer. But here the resemblance ends. The methods by which Sun Yat-sen would set China's house in order are peculiarly his own ; they reflect an almost European ignorance of Chinese history and the dreamer's disregard for everything which fails to square with his own hypotheses and ideals.

There can be no doubt as to his considerable influence with the Radical extremists of the Cantonese party, and especially with the politically-active Chinese communities overseas. His personal relations with the latter class, from which have been drawn most of the funds of the T'ung Meng-hui, is in itself sufficient to account for his ascendancy with the small clique of youthful politicians which success-

[1] *Sun Yat-sen and the Awakening of China.* By James Cantlie and C. Sheridan Jones. (Jarrold.)

fully forced through the abolition of the Monarchy. In addition to the prestige which he enjoys in the eyes of Young China as a much-travelled and well-educated man, the personal magnetism to which many observers have testified, and a wide-spread reputation for sincerity and honesty, have sufficed to raise him well above the ordinary level of the place-seeking politicians.

There is a certain large vagueness, a splendid indefiniteness about Dr. Sun Yat-sen's reform schemes that, were it not for the *naïve* sincerity of the man himself, would make them and him ridiculous. But he believes in himself, with the whole-souled and rapt belief of a child building sand-castles, and the valour of his ignorance is passing brave. He believes in universal suffrage and votes for Chinese women. He believes in Lloyd George and Henry George ; in the single tax and conscription ; in the nationalisation of railways ; and he promises the Chinese people (which hear him not) every kind of rare and refreshing fruit, to be produced without the formality of planting trees. The secret of his success in leading Europeans to believe in his capacity to make his dreams come true lies, I think, in his dignified imperturbability and gift of reticence, remarkably manifested on more than one dramatic occasion, and notably when bidding farewell to the Nanking Assembly upon his resignation of the Presidency. His artless enthusiasm for ideals has by no means deprived him of the shrewd common sense of the Cantonese : his most fervent orations would be incomplete without taking up a collection for the good cause. Sincerely simple in his private life, he displays, nevertheless, a very democratic weakness for uniforms, ceremonies and processions ; a man of the people, yet he surrounds himself with suites and body guards and nests of parasitic admirers. Finally, he has learned in his travels abroad the gentle art of political advertising, together with a shrewd idea of the value of sensationalism in connection therewith. Like T'ang Shao-yi, he knows how to *épater son bourgeois* ;

except at crises of rebellion or famine, rarely disturbed the even tenour of the people's way. Soldiers and police alike remained unknown to most of the inhabitants of the interior; no agent or official of the Government, except the gatherers of the annual land tax, required anything of them. In this sense, Professor Giles is justified in describing China as "a great democracy, living in the greatest Republic the world has ever seen." But when he invests these localised self-governing Chinese communities with a keen sense and jealous regard of national (as distinct from local) liberties, he ignores the fact that the physical conditions hitherto prevailing throughout the interior of China, have effectively prevented the formation and propagation of that public opinion by which alone national sentiments can be evoked and maintained. This error is common to many recent writers, who assume for the inarticulate impassive masses a definite share and sympathy in the political activities of Young China, and who believe them capable, because of their ancient local independence, of adopting representative institutions and a Republican form of government. But it must, I think, be evident that such forms of democratic self-government as have obtained in China for many centuries, have been primarily due to the fact that no administrative authority of the Throne could possibly have been made effective throughout so vast an Empire under the physical conditions then existing. Local autonomy ensued naturally from the inability of successive dynasties to exercise anything approaching to an organised public administration. The Throne ruled, but did not assume to govern. Beyond the bounds of the city and village communities, there could be nothing in the nature of regulated popular government. The Throne's authority rested in the last resort upon moral force; owing to physical obstacles, it never possessed the machinery for the collection of taxes sufficient to maintain armed forces and to assert a supreme authority of administration. Such powers and

revenues as the central and provincial authorities enjoyed were the result of voluntary obedience of the people to an order long established, and to indirect taxation along the lines of least resistance. That China has held together so long and, on the whole, so well, as a homogeneous Empire must be attributed to the inherent strength of the moral foundations laid by the Sages, of those teachings which have formed the innermost soul of the people. More effectively than by the loose ties of feudalism which bound together locally autonomous communities under European monarchs in the Middle Ages, the unity of the Chinese nation has been preserved, first by the "Three Relations" of the Confucian philosophy, and, later, by the statecraft which instituted the system of public service examinations as a permanently cohesive agent. By this means, the eighteen provinces were educated and maintained in a common heritage of national philosophy, ethics, literature, laws and history, and, through it, they attained to a common interest in the provision of national legislators and officials. Their rights and opportunities of local self-government formed an essential part of the Confucian system, arising directly from the principle of parental authority. These local rights are fiscal as well as penal and administrative, and from their exercise have arisen, in all parts of the country, the capacity to combine for common ends and instinctive respect for law and order. But it is precisely in the strength of the local autonomy thus created and perfected, that lies the insuperable obstacle to the imposition on the nation of representative government of the modern European type. From the same cause springs an atavistic local antagonism to every innovation—such as Railways, or the opening of mines, or the appointment of Imperial officers to supervise the working of self-government Regulations—which threatens State interference with existing ways, or new burdens of responsibility and taxation.

THE NATURE OF CHINA'S NATIONAL SENTIMENT.

"A nationality," says Herbert Spencer, "is made possible only by the feeling which the units have for the whole they form." Compared with the militant patriotism of races whose units are capable of making adequate sacrifices to protect and preserve their body politic, the Chinese national sentiment is essentially of a passive and philosophic order, but it is none the less real. Pride of race and pride of civilisation are their inheritance, an innate respect for the scheme of things Celestial which implies, if it does not actively express, an attitude of condescension towards the outer barbarian. This pride of race is intimately associated in the minds of the people with the Confucian philosophy and ancestor-worship; so intimately, that the fanatical iconoclasm of Young China must either bring about its own undoing or mean "To your tents, O Israel!" for the Sons of Han. The proposal of the Ministry of Agriculture to convert the Temple of Heaven into a model farm is only one of many omens which foreshadow either the end of Young China, or the passing of the national sentiments which have hitherto constituted China's form of patriotism. The decision of the Radicals of Canton to render no more official homage to Confucius, synchronised with the resolution of the Advisory Council in Peking to eliminate the religious clauses from the programme of the Ministry of Education on the ground that the State is not concerned with religious matters; these also are straws which mark the first gusts of a fierce wind of destruction. This way madness lies. Confucianism, based on the monarchical principle, is evidently incompatible with the crude Republicanism of Sun Yat-sen; but to attempt to eradicate it is to deprive the nation of its sheet anchor and to invite disaster. Take from the Chinese "Heaven and our ancestors," and neither Constitution nor

Presidential Mandates can save the nation from anarchy. That the Republican leader should even propose such things confirms Prince Ito's dictum that the sentiments of foreign-educated Young China are hopelessly out of touch with the masses.

For the reason that the national sentiments of the Chinese race, the bonds that hold the eighteen provinces together, have their roots in Confucianism and the monarchical principle, it was inevitable that the latent tendency towards provincial autonomy should be increased by the Revolution. The Chinese have no rooted objection to a change of rulers, but as a race, they are instinctively opposed to any change in the form of their government and of the principles on which it rests. Meadows expressed this idea lucidly when he said that "of all races that have attained to a certain degree of civilisation, the Chinese are the least revolutionary and the most rebellious."

EFFECT OF THE INTRODUCTION OF RAILWAYS.

The tendency of the local self-government rights of the people to develop in the direction of provincial autonomy became markedly increased after the year 1900, partly because of the dynasty's incapacity to rule, but even more because of the introduction of railways, and because of the attempt to centralise government finance in the matter of foreign loans. Before the coming of the railway and the circulation of newspapers in the interior, the several provinces were members of one body politic by reason of their common heritage and traditions, but there was practically no community of economic interests and comparatively little occasion for economic strife among them. To the Hupeh man, Hunan represented definite ideas of propinquity and direct trading, but Kansuh and Yünnan were little more than geographical names. Shantung was the birthplace of pedlars in furs, Shansi the ancestral home of bankers,

Kuangtung the far-off land from whence came the devastating hordes of the Taipings, Anhui the breeding ground of famine refugees, and Chihli the abode of tribute-eating Bannermen. All (except perhaps the Cantonese) were sons of Han, and therefore blood-brethren of the Middle Kingdom; but the idea of brotherhood was a vague conception at best, because of the physical and educational obstacles to inter-communication, and differences of the spoken language.

The coming of the railway and the rapid growth of the vernacular Press meant the formation and propagation of a public opinion where none had previously existed. This opinion, diligently stimulated by the *literati* and gentry in the first instance, and later by Young China, was immediately directed along lines of resistance to Peking's policy of financial centralisation. The period of railway development, in the hands of foreign concessionaires, foreshadowed by the "spheres of influence" scramble and the Battle of Concessions in 1898, but checked by the Boxer rising in 1900, may be said to have definitely begun in 1903, with the conclusion of the Shanghai-Nanking Railway Agreement. It synchronised with the first signs of expansion in the Central Government's efforts to extract from the provinces the additional revenues required to meet the heavy Boxer indemnities, and to defray the cost of army reorganisation and other reform schemes. It synchronised with a period in which the provincial authorities had resorted to every possible device, including the minting of debased coinage, to supply the demands of Peking, and had, as usual, levied additional exactions, for their own benefit, on every trade and industry within their reach. The building of railways with foreign capital not only meant, from the provincial point of view, new and lucrative opportunities; it opened up questions of control and inter-provincial mining rights and lekin levies. Thus stimulated, the spirit of locality took on new forms and substance; in every province the conserva-

tive instincts of the people were used by the educated class to create resistance to the construction of railways except under such conditions as should give the local gentry and officials direct control of the loan funds and of the management of the lines when built. This resistance was organised in every instance on patriotic grounds, the people being led to believe that the construction of railways with foreign capital foreshadowed territorial aggression and other evils, but in every instance, as the results proved, the real objective was to secure opportunities of patronage and profit for the local gentry and Provincial Bureaus, as opposed to the Ministry of Communications. And this provincial opposition was organised, and became in a certain sense national, by reason of the ceaseless campaign conducted by Young China in the Press of the Treaty Ports, a campaign which aimed not only at preventing any further railway or mining construction by foreign concessionaires, but which demanded that the Government should endeavour to regain control of the concessions already granted. The cry of "sovereign rights" was heard on every side, and the activities of the British Minister at this period were principally engaged in protesting to the Waiwupu against breaches of agreement by the provincial authorities and self-government Bureaus.

THE RECOVERY OF SOVEREIGN RIGHTS CAMPAIGN.

For a strictly disinterested and patriotic campaign there would, indeed, have been more than sufficient justification. The history of the Cassini Convention and the Eastern Siberian Railway provided Young China with a good text; the venality of Li Hung-chang and his adherents had undoubtedly sold the Imperial birthright in Manchuria and opened up the path of the invader. In Shantung, the Chinese authorities found themselves confronted with a German-built railway, which (at that time) denied them the

right to carry the Imperial mails through Chinese territory. Sheng Hsuan-huai's handling of the Shanghai-Nanking Railway loan affair had been notoriously corrupt. His negotiations in 1898, for the construction of the Canton-Hankow Railway, conducted with a company, Belgian in appearance but Russian in its political origin, had foreshadowed a repetition of the Manchurian situation in the Yangtsze provinces. The Russian policy of railway construction, which brought with it a right of way for the Cossack, had achieved its rapid success because of the incompetence and corruption of the Central Government. Before the Boxer rising, the conquest of China by Railway and Bank plainly foreshadowed, by its creation of "spheres of influence," the partition of the Empire. Young China, greatly stimulated by Japan's victory over Russia, and by the consequent suspension of the spheres of interest *régime*, had plenty of material ready to its hand for proving conclusively that foreign Railway Concessions were a danger to the State. The Hunanese party led the way, rightly enough insisting that, so long as foreigners in China can claim extra-territoriality, the granting of Railway Concessions with rights of control (like those enjoyed by the Germans in Shantung, the Russians in Manchuria and the French in Yünnan) must mean, sooner or latter, the extinction of China's sovereignty. The Hunanese party's method of approaching the question was marked, as usual, by conservatism and ignorance of the real necessities of the situation, but they were instrumental in calling attention to the dangers arising from Chinese State undertakings controlled by foreigners. On purely provincial lines, they opposed Sheng Kung-pao's arrangements for the construction, through Hunan, of the Hankow-Canton Railway, as a Franco-Belgian undertaking, and insisted either that the original American concession should be cancelled, or that the American Government should guarantee the maintenance of undivided American responsibility for the construction of

the line as a Chinese Railway. As no such guarantee was forthcoming, the Hunanese, supported by the Progressives of Kuangtung, pressed for annulment of the Concession. This was arranged in September, 1905, the American Government of the day being only too glad to rid itself of any further connection with a business that had been discreditable from the outset. The recovery of China's sovereign rights over this important trunk line, coinciding with the defeat of Russia and the relaxation of her pressure in the North, was the signal for a tremendous outburst of patriotic enthusiasm and energy on the part of Young China ; and in every province the question of railways and mines occupied a prominent position in the programme of "China for the Chinese." The cancellation of the Canton-Hankow Railway Concession was a notable triumph, not only for Chang Chih-tung and the sincere patriots of his following, but for the provinces, which, seeing the lucrative possibilities of railway construction, were organising a determined resistance to Peking's policy of centralisation. In the disastrous consequences of the *régime* of Li Hung-chang and Sheng Kung-pao, Young China found to its hand an irrefutable argument against any further dealings between the Central Government and Western financiers, and proclaimed it as affording sufficient ground for demanding the cancellation of all other concessions in foreign hands. Provincial Railway Bureaus, organised as a rule by the local gentry, sprang up on every side with the definitely expressed intention of jealously preserving provincial rights in the matter of railway construction. Foreign loans proposed by Peking became anathema from Canton to Tientsin.

THE OPPOSITION TO FOREIGN LOANS.

There were two forces at work in the popular agitations thus created. One was undoubtedly, though not disinterestedly, progressive. The other was simply a new presentment

of the East's conservative resistance to the materialism of the West. Many of the Chinese officials and journalists who waxed enthusiastic at the prospect of Chinese railways to be built with Chinese capital and Chinese engineering, were perfectly well aware that no such results could possibly be attained by the provincial Bureaus ; but they hoped, by vetoing all foreign loans, to block railway construction in their particular provinces and thus to keep at arm's length the foreigner and all his uncomfortable proceedings.

It would require a volume to set forth the history of the railway question in the provinces after 1906, and of the impetus given to provincial autonomy by successive manifestations of the Central Government's inability to handle it satisfactorily. The Cantonese who, under the leadership of T'ang Shao-yi, became charged at that time with most of the Central Government's administrative and diplomatic work in connection with railways, were in their hearts supposed to sympathise more with the provincial than with the metropolitan point of view. At all events, under their administration, the attitude of the Provincial Bureaus became steadily more and more aggressive, while the position of the Minister of Communications became more and more helpless and undignified. At an early stage of what we may call Peking's final effort to establish a centralised system of State railways and mines, it became clear, and has since been repeatedly demonstrated, that the patriotic agitation against the Central Government's foreign loans was nothing more than an expression of the provinces' determination to handle their own railways and railway finance. The Government, represented by T'ang Shao-yi, attempted to conciliate the provinces and to meet them half way in the matter of foreign capital, by bringing steady pressure to bear on the European bankers and by gradually eliminating the financial supervision and other safeguards heretofore imposed for the protection of the bondholders.

Photo, Le Munyon, Peking.

CROWD IN THE CHINESE CITY, PEKING.

With consummate skill T'ang availed himself of the international jealousies of the Powers and the complaisance of cosmopolitan financiers to obtain loans under conditions which practically gave the Chinese officials a free hand in the expenditure of the funds, and which therefore allowed the Central Government to treat the Provincial Bureaus with easy-going liberality. The last agreements thus negotiated by T'ang Shao-yi, in 1908, were for the provision of capital to build two railways for which foreign concessions granted had been ten years before, viz., the Tientsin-P'ukou (Anglo-German) line and the Shanghai-Ningpo. As the result of T'ang's stonewall tactics, of the British Legation's optimistic faith in Young China and still stronger faith in *laisser-faire*, and finally, of the active support rendered to the provincial cause by German political finance at Peking, these agreements were concluded by the elimination of the safeguards which had, until then, been regarded as indispensable. At that time, the country was already strewn with the wreckage of badly administered and impoverished Chinese railway companies, and filled with the mutual recriminations of their shareholders and directors. There was, it is true, one line then being built and administered by a Cantonese engineer without the aid of foreign capital or experts, to which the students and gentry could point in justification of their patriotic clamour :— namely the Peking-Kalgan line—but for this, the plans, the money and the technical training all came directly from the British-built Northern railways. There was nothing, either in the necessities of the situation or in recent experience, to justify recognition of the provinces' claims to handle foreign capital without restriction or supervision ; but British diplomacy, reflecting the complaisance of its cosmopolitan finance, consented to arrangements which were morally certain to weaken the Central Government's credit abroad and its authority at home. The results of the Shanghai-Ningpo Railway agreement were particularly significant

for the programme of provincial autonomy (and as a direct consequence, the anti-Manchu movement) received herein its final impetus of enthusiasm.

THE CASE OF THE CHÊKIANG RAILWAY.

The gentry and students of Southern Chêkiang, where the mountainous coast-lands narrow to the sea, have ever been noted for their turbulent and truculent disposition. On the Ch'ien Tang, as on the Pearl River, many of the inhabitants call themselves T'ang Jen (men of the T'ang dynasty) to this day, and profess to despise the sons of Han. In the autumn of 1905, fired by the example of the Hunanese in the matter of the Hankow-Canton Railway, and stimulated by the "sovereign rights recovery" campaign successfully conducted against British mining enterprises in Szechuan, Anhui and Shansi, the Chêkiang Provincial Bureau organised a strong provincial movement in the matter of the proposed Shanghai-Ningpo Railway, protesting not only against its construction with British capital, but against any interference in its management by the Board of Communications. In September of that year, the Peking Government, visibly intimidated by the seething cauldron of the South, and having learned to appreciate the accommodating quality of British diplomacy, instructed the Governor of Chêkiang to "make arrangements with Sheng Kung-pao for cancellation of the British concession." This was done by the simple expedient of declaring the concession null and void. Negotiations for conclusion of the final loan agreement proceeded, nevertheless, in a leisurely fashion, between the Legation and the Ministry of Foreign Affairs; but this did not prevent the Ministry of Commerce from recommending the Throne to cancel the original concession. The Throne took the advice and issued an Edict, authorising the gentry of Chêkiang to organise a Bureau for the construction of the railway. The Bureau set to work in hot

haste, collected subscriptions, borrowed money and actually commenced a section of the line, during all of which operations the British Minister was continually being reassured by the Waiwupu that the original concession was regarded by the Chinese Government as valid and binding. When Sheng Kung-pao at Shanghai, acting under Imperial Edict, officially notified the British Syndicate that their concession was cancelled, T'ang Shao-yi at Peking explained that the provincial proceedings were not to be taken seriously and that the agitation would soon die out for lack of funds. The British Legation cheerfully accepted the situation as thus presented. The truth of the matter, apparent to all concerned, but carefully ignored, was that the Chêkiang provincials had defied the authority of the Government and that the Government was helpless. In May, 1907, the ex-Viceroy of Canton, T'sen Ch'un-hsuan, succeeded T'ang Shao-yi as President of the Board of Communications. Perceiving the dangers that must arise and multiply from further acquiescence in the defiant attitude of Chêkiang, he asked the Throne to issue, and was himself prepared to enforce, an Edict authorising him to bring the province to order. For that purpose, he had troops in readiness and ships under option of charter. If, at this critical point, the British Government had shown any signs of firmness in maintaining its own just rights and the authority of the Central Government, not only would Chêkiang have been linked up, under British auspices, with the Kiangsu Railway system by a properly constructed railway, but a salutary check would have been given to the disorderly and undisciplined elements of Young China. The policy of centralisation in railway construction and finance was clearly the only one which held out any hopes of satisfactorily promoting the economic development of the Empire and of stemming the tide of disorganisation. Four years later this truth was recognised, and the moral support of the "Four Nations" Legations was extended to the

Chinese Government in a desperate effort to retrieve, too late, the lost ground. But in 1907 British policy in China was drifting on the lifeless current of *laisser-faire*, and T'sén was therefore sacrificed to the hostility and intrigues of the provincials. The triumph of the Chêkiang Bureau was complete. Peking, to save the remnants of its face, completed a foredoomed loan agreement with the British Company, and a sinecure British Engineer was appointed under the most humiliating conditions—but the Bureau would have neither the loan nor the Engineer. By the terms of the British agreement it was stipulated that the construction and control of the railway were to be "entirely vested in the Chinese Government," and that British materials were to enjoy preferential treatment at equal prices in the open market. The Provincial Bureau ignored the Ministry of Communications and showed its contempt for the loan agreement by publicly advertising, in connection with a tender for rolling stock, that only locomotives of German make would be entertained!

Prior to the conclusion of the agreement, a deputation of delegates from Chêkiang and Kiangsu had come to Peking, at the request of the Central Government, to state the provincial case against the foreign loan. On the 23rd of December, a meeting was held at which speeches were delivered by leading delegates. *The Times* correspondent described the meeting as "orderly, well conducted and well organised. The speakers insisted that no anti-foreign feeling inspired the agitation, but urged that the Central Government could not be permitted without protest in future to disregard the wishes of the provinces as they had done in the past. They emphasised the fact that the delegation thus summoned to discuss the question was the beginning of provincial representation in the capital and possibly the forerunner of a Parliament." In commenting on the facts of the situation, the Correspondent observed that "foreign opinion here is that the British Government, while fully

recognising the provincial grievance, must, for the credit of China herself, hold the Central Government to its obligations leaving it to settle its own dispute with the provinces."

The British Government, however, pursued its policy of masterly inactivity, and the Central Government was helpless. On the 25th of December, it issued a pathetic Decree, forbidding "irresponsible students, ignorant of the true question at issue and wholly blind to the facts, from holding meetings and sending telegrams to the Grand Council and the Ministers, directing them as to their duty." (Even school girls had addressed such messages to the central authorities.) This Decree was to be conspicuously displayed in all schools and colleges! But the time for benevolent platitudes had gone—nothing but stern measures could now stem the rising tide of Young China's militant provincialism —and the strong hand was lacking. Every province in the Empire had realised that it could with impunity defy Peking, and the policy of centralisation was henceforth a forlorn hope.

There was justification, as I have said, for the provincial attitude in Peking's record of Railway concessions, though in adopting it, the agitators made no allowance for the difficulty of the Central Government's position in its relations with Russia and other aggressive Powers. Had Young China, in assuming the right to control the construction of railways, as a question directly affecting the interests of the provinces, displayed administrative ability and honesty; had it evolved a definite policy for the development of the country's economic resources by co-operation between the provinces and Peking, its action might have been justified by results. But the proceedings of the Chêkiang Bureau soon showed that, as far as inefficiency and corrupt methods were concerned, provincial administration under unfettered local control had nothing to learn from the Ministry of Communications, whilst it suffered from an unsurmountable difficulty in its inability to raise foreign loans on independent provincial security. Every province in turn, after the

Chêkiang Bureau's triumph over Peking, endeavoured by every possible device to secure foreign loans on its own account and without vexatious conditions of financial supervision; but here the Government held the whip hand, because of its formal declaration by Edict that provincial loans would not be recognised as Imperial liabilities. The efforts of the Provincial Bureaus to raise internal loans were naturally in vain: local sentiment was prepared to support its gentry and students against Peking or against foreign concessions, but it was not prepared to invest its savings in Railways under the control of Chinese Bureaus, however earnest the appeal. In certain instances, notably in Anhui and Szechuan, special local taxes were levied for purposes of railway construction, but the results were encouraging only for the tax collectors.

A WARNING TO BRITISH INVESTORS.

The results of the Chêkiang Bureau's vindication of provincial autonomy, typical in their way, were recorded by *The Times* correspondent at Peking in a despatch from Shanghai in February, 1909. They are still of interest sufficient to justify the following quotation:

"At the time when the British contract was signed, work on the projected Railway had been proceeding in a desultory way for two years by two provincial companies, the Kiangsi Railway Company and the Chêkiang Railway Company, whose combined capital was about £800,000. In these Companies only Chinese could hold shares, and only Chinese could be employed. With patriotic fervour, the Companies opposed China's signature of the foreign loan contract, but they were reconciled by an agreement made with them, that the loan proceeds would be transferred to their ownership in order to provide the funds required to complete their enterprise. By Imperial sanction, dated April 15th, the Ministry of Communications brushed aside the British agreement, and gave an undertaking that the Railway would be entirely under private, not official, management and that

the Company's books would not be inspected. The effect of this transaction has been deplorable, every important stipulation of the loan contract has been violated. . . . The work has been badly and wastefully done. The native capital is exhausted, and shareholders, seeing no prospect of any return, have recently been offering their shares for sale at 70 per cent. of their face value. . . . Only Chinese are employed. On the Kiangsu section, the Chinese Engineer in charge has only a rudimentary knowledge of railway construction; the Engineer on the Chêkiang section is less incompetent, having been for one year at college in California. He is a son-in-law of the President of the Company. One Engineer in control of a section of twenty miles of railway has no engineering training, but owes his appointment to the fact that he was the favourite student of the President of the Company, who is a well known authority on the analects of Confucius. (Here follows a description of the Chinese methods and style of construction.)"

"Chinese funds having been exhausted, British money is now being squandered on this costly experiment. An official statement now before us shows that the proceeds of the £1,500,000 loan subscribed in England, in terms of the loan contract, only £355,000 remain in England for the purchase of materials; the remainder has been transferred to the Hongkong and Shanghai Bank, Shanghai, where, by the terms of the loan agreement, funds thus transferred 'shall remain on deposit until required for railway purposes. . . . All requisitions thereon, to suit the progress of construction, shall be accompanied by certificates stating the nature and cost of the work to be paid for.'"

"Disregarding these conditions, the Ministry of Communications had at the end of January withdrawn £215,833 in eighteen requisitions and lodged the amount in the native Bank belonging to the Ministry. The requisitions were not accompanied by certificates. At the time these amounts were handed over to the Yu Ch'uan-pu,[1] their

[1] The funds, of course, should never have been handed over, but the British Bank, not being in the position of trustees for the bondholders, saw no reason to incur the hostility of the Ministry. This is a good and typical instance of the workings of cosmopolitan finance, unredeemed by any definite

President (Ch'en Pi) and seventeen members of his staff were under impeachment for thieving extraordinary. British investors lent them £1,500,000 for the construction, under British expert supervision, of a railway between populous cities. They surely did not foresee that their money was to be devoted to the construction of a railway such as I have described or be lodged in a native bank of questionable integrity."

This frank exposition of the results of the first large-scale experiment in provincial autonomy, applied to railway construction in China, concluded with the hope that the British Government would "warn intending investors against lending money to China for railway construction without a clearly defined construction contract ensuring adequate supervision over construction and maintenance. Such warning would be opportune, for negotiations are again in progress to lend China, for the Hankow-Canton Railway, more millions of British money under conditions similar to those I have described above."

The warning was not given. After some desultory questions in the House and a few sorrowful comments in the small section of the Press which concerns itself seriously with Imperial interests, the matter was forgotten in Downing Street, where indeed its significance was never realised. The Legation, accustomed to form its opinions in matters financial upon those of the institution which had for years enjoyed a monopoly of Foreign Office support, resumed its facile way along the primrose path of least resistance. Soon, under the influence of the new policy inspired from Berlin, official optimism was restored and its roseate hues duly reflected in the Press. The Chinese Government was to be advised and supported in a policy of

British policy for the intelligent use of British capital and protection of British interests. The Legation was naturally perturbed by the results of its new departure in loan agreements, but eventually reassured itself and others by the perfectly sound conclusion that Young China was now "upon its mettle."

centralisation, taking into reasonable consideration the legitimate aspirations of the provinces. Cosmopolitan finance and Sheng Kung-pao were to join hands and together tread the golden way of compromise and mutual profits. All parties combined to assume not only the Chinese Government's good intentions, but its ability to carry them into immediate effect.

CHANG CHIH-TUNG'S YANGTSZE RAILWAY SCHEMES.

But the example of Chêkiang and the prestige of its achievements had not been lost upon the students and gentry of other provinces. Nothing but horse, foot and artillery could now make a centralisation policy acceptable to those who had clearly realised the lucrative opportunities created under provincial autonomy. Chêkiang had forced the Ministry of Communications to recognise its claim to build the Ningpo line as a provincial undertaking, without interference from Peking. Szechuan, Hunan and Hupeh, threatened with the construction of Government Railways through their borders, protested violently against the foreign loan negotiations conducted by Chang Chih-tung with the "Four Nations" group in the spring and summer of 1909. The students and gentry of Hunan and Hupeh warned Peking that they would resist the building of any railway unless the terms of the loan agreement were first submitted for "the approval of the provinces." Here was "Government by the Nursery," and Chang Chih-tung was much perturbed at the first fruits of the provincial autonomy which he himself had stoutly advocated (as a Chihli man acting on behalf of Chihli men) in the case of the Tientsin-P'ukou Railway loan. It is possible that, had he lived, he might have discovered a *modus vivendi* for pacifying Young China and dividing the loaves and fishes of railway construction. His prestige as China's greatest scholar and his unquestioned reputation for personal integrity undoubtedly

carried great weight in the two provinces of the Hu Kuang Viceroyalty, where he had served for nearly twenty years. It was, moreover, understood by his immediate entourage that he had evolved a scheme, generally acceptable to the provincial delegates at Peking and for which he hoped to obtain the approval of the Throne, whereby the profits and control of Government Railways would be divided between Peking and the provinces concerned upon a prearranged and fixed scale. Some such scheme had frequently been suggested to the Ministry of Communications; the chief difficulty of introducing it arose from the fact that neither party could trust the other. Chang Chih-tung's good intentions were, however, frustrated by his death on the 4th of October, 1909. His successor, Hsü Shih-chang, an amiable and polished scholar of the old school, was quite incapable of attempting even to deal with such a situation.

As in the case of the Shanghai-Ningpo Railway, the Szechuan Provincial Bureau claimed the right to oppose Peking's foreign loan proposals on the ground of its own vested interests and Imperially authorised activities. As far back as 1906, the agitation of the gentry for local autonomy in the matter of the Szechuan-Hupei Railway had assumed serious proportions, Chao Erh-feng[1] having been appointed Director General of that line at the end of 1904. The agitation was met in 1906 by the Governor-General, who, having collected some £60,000 from the patriotic gentry of the province, announced his intention of devoting the money to the establishment of a college for training railway engineers; when these were forthcoming, he said, it would be time to commence the building of the line. The money was actually used for the purchase of minting machinery (a large portion of which was lost in the rapids of the Ichang gorges), and the agitation of the students

[1] This able and highly-respected Viceroy was murdered by the revolutionaries of Szechuan at Chengtu on the 22nd of December, 1911.

Photo, Le Munyon, Peking.

CAVALRY PATROL OUTSIDE CH'IEN MEN, PEKING.

Photo, Le Munyon, Peking.

PATROL OF THE LEGATION GUARDS THROUGH THE CITY OF PEKING, TO RESTORE CONFIDENCE AFTER THE MUTINY OF TROOPS (MARCH, 1912).

and Progressives, many of whom really wished to see the railway built, broke out with renewed vigour.

SHENG KUNG-PAO'S POLICY OF CENTRALISATION.

The situation bore further resemblance to that which had led to the triumph of the gentry at Chêkiang, in that the Central Government continued its negotiations with the foreign financiers as if the opposition of the provinces were a negligible quantity. In the spring of 1911, Sheng Hsüanhuai, who had succeeded to the Presidency of the Ministry of Communications in January, proceeded, with the best wishes of the "Four Nations" Legations and the support of Prince Ch'ing's Cabinet, to stiffen the policy of centralisation. The Central Government had come to the conclusion that, without a more effective control over the expenditure of loan funds, the foreign Governments and money markets would never agree to advance the vast sums required for all its schemes of reorganisation and reform. From every point of view, Sheng's policy was sound ; in fact, for reasons which the reader will ere this have appreciated, it offered the only hope of arresting the *débâcle* of disintegration. For its successful execution, however, two things were requisite—firstly, that the Government should have the courage and the cohesion to face the situation resolutely ; secondly, that the personal reputation of the Minister of Communications and Finance should be such as to satisfy the Moderates of the provinces that Peking was in earnest in this matter of reform. Until now, the strength of the provincial agitators' case had arisen from the undeniable fact that Peking's Railway administration was a hotbed of corruption. To this Peking replied, not without reason, that provincial administration could point to nothing but futility and flagrant dishonesty. An upright and fearless official at Peking might possibly have saved the situation in Szechuan. Sheng Kung-pao proved himself courageous enough, but unfortun-

ately his personal record in the matter of honesty was deplorably bad. Familiarly known amongst his intimates as the "Old Fox," his corrupt practices had long been notorious. Working under a Cabinet which could boast of Prince Ch'ing as its Prime Minister, Sheng's every movement was necessarily suspect. His ability was recognised by foreigners and Chinese alike—he is one of the few Chinese officials living who understand the inner workings of European finance—but the provincial malcontents were not likely to forget his administration of the "China Merchants" Steamer Company or the Imperial Telegraphs.

In May, 1911, Sheng's policy of centralisation had been clearly outlined and had received the sanction of the Throne. On the 18th of that month, *The Times* correspondent announced that "after long vacillation, China is showing unexpected firmness in grappling with the provincial railway question." On the 9th, an Edict had been issued on Sheng's advice, proclaiming that, in future, all trunk lines were to be built by the Government, and that all those under private construction would now be resumed by the State; the Throne had become convinced of the disorganisation and weakness resulting from the failure of the provincial companies' attempts at railway building. On the 18th, the Viceroy Tuan Fang was called from retirement and appointed Director-General of the Hukuang Railways. On the 20th, the fateful "Hukuang" agreement was signed, providing for a loan of £6,000,000 for the construction of a system of railways in Hunan and Hupeh, and secured on certain specified revenues of those provinces. Sheng's four months of office had been a period of strenuous activity and frenzied finance, and had increased China's liabilities, on paper, by seventeen and a half millions sterling. The Currency and Telegraph loans had not disturbed any vested interests of the provinces, but the Hukuang agreement, following on the momentous Edict of the 9th, was regarded as a direct challenge by every Provincial Assembly and Bureau in the

country. At Canton, Changsha, Wuchang and Chengtu, the students and gentry were clearly irreconcilable and public opinion generally in a highly explosive condition. Every journalist of Young China protested against the action of the Government. The policy of centralisation was condemned, not only on its merits but on the ground that loans in the hands of Sheng and his adherents could never be for the benefit of the country, and would merely serve to fatten the metropolitan mandarins' purses whilst imposing new burdens on the provinces and new mortgages on their revenues. Similarly, although many of the shareholders in the Provincial Railway Companies would have consented willingly enough to be bought out under equitable conditions, none were willing to trust Sheng Kung-pao to treat them equitably—the experience of the Telegraph shareholders constituted a sufficient warning.

THE CRISIS IN SZECHUAN.

On the face of it, the Goverment's scheme was sensible, equitable and necessary. It was ruined, as usual in China, for want of mutual confidence and common honesty. Hunan and Hupeh might possibly have been pacified, for in those provinces the provincial companies' bonds were to be paid in full—but the Szechuan Railway Bureau fiercely resented the proposal that the funds which it had embezzled should only be made good by the Central Government out of the future profits of the line. This they considered intolerable, but when it came to be reported that Sheng had been privately buying up the Szechuan Company's bonds on his own account, and that he was negotiating a further loan with the British and Chinese Corporation to provide funds for their redemption, the province passed from agitation to revolt. By July there were all the symptoms of impending disorder. Inflammatory posters were exhibited, and in August the shops were closed and all business was suspended for ten days.

Sheng Kung-pao, confident in the support of the Cabinet and of his foreign friends, kept up a bold front, advising the Government to act with firmness in the impending crisis; Wuchang and Changsha were evidently waiting upon events: if Szechuan were allowed to defy the Government, the Imperial authority was gone for ever. And Sheng was right. But the Government had neither the material nor the moral forces to lay the spirit of revolt; all it could do was to appoint T'sen Ch'un-hsuan, queller of insurrections, to proceed in hot haste to Chengtu, now besieged by bands of rebels. This was on September the 15th. Six weeks later, the *débâcle* of the Central Government was complete and the cause of provincial autonomy had swung out upon the open seas of an anti-dynastic rebellion. The end of Sheng Hsüan-huai's attempt to serve the cause of Centralised Government was recorded, after his impeachment, in the following Imperial Edict, shameless in its cowardly ingratitude:

"In his policy regarding the nationalisation of railways, Sheng failed to appreciate the intentions of the Throne and committed many blunders. After receiving proofs of our high favour, he has jeopardised the situation by his self-seeking conduct. Unfaithful to the trust we placed in him, Sheng is cashiered, never again to be employed."

This was issued on the 26th of October. On the following day, several of the provincial members in the National Assembly demanded the summary decapitation of Sheng on the ground that his centralisation policy was contrary to the interests of the nation. He was saved from that evil fate by the energetic action of Sir John Jordan, who, supported by the other Ministers of the "Four Nations" group, addressed a vigorous remonstrance to the Government. Sheng, weary of well-doing, retired into private life in Japan, safely escorted to Tientsin by two soldiers from each of the "Four Nations" Legation Guards. It was the best, and the least, that they could do for him.

FINANCIAL AUTONOMY UNDER THE REPUBLIC

Up to the date of the Revolution, the energies of the provincial students and gentry had been forcibly directed against foreign participation in Chinese railways and their enterprises by the Central Government: beyond this, however, they had rarely gone. From the outset, the Provincial Bureaus had been distinguished for literary and oratorical efforts, and for the collection of subscriptions from the patriotic, rather than for any capacity for organisation or constructive economic policy. Since the Revolution, with a free hand in administration and finance, they have continued to produce no evidences of one or the other. But with the disappearance of the Manchu dynasty as a common ground of opposition, the divergent interests and policies of the provinces began to assert themselves, as they were bound to do, in the narrower and less national aspects of local autonomy. And just as the immediate cause of the outbreak of the rebellion in Szechuan may be traced to sordid motives of vested interests and the personal equation, so, between the provinces, distinct lines of cleavage have manifested themselves, in differences arising out of the opportunities and perquisites of office. Each province is frankly desirous of getting money, by loans or otherwise, on its own account. A certain amount of revenue has been voluntarily remitted by the more enlightened and patriotic amongst the local authorities for the purposes of the Central Government, but generally speaking, the internal politics of the provinces, as displayed in the National and Provincial Assemblies, are instinct with deep-rooted tendencies of parochialism. The opposition aroused by the monarchy's policy of centralisation has been transferred *en bloc* to the financial schemes of the Republican Government. From the very beginnings of the Provisional Government at Nanking under Sun Yat-sen, its leaders endeavoured to assert

their rights to independent financial operations and loans raised on provincial securities, and they strongly resented Yuan Shih-k'ai's determination to retain all borrowing powers in the hands of the Central Government. The embarrassment of the Ministry of Finance and the deadlock produced by T'ang Shao-yi's differences with the "Four Nations" group seemed to the provincial authorities to offer borrowing opportunities of the kind which they had long been seeking, but the solidarity of the European and American financiers and the monopoly of support given to them by their respective Governments frustrated all their efforts in this direction. The position continued, in fact, to present the same fundamental difficulty as that which inspired Sheng's ill-starred attempt at centralisation, for, as matters stand, the Powers will not sanction loans to the Central Government except under satisfactory conditions of supervision of expenditure. Peking, as represented by the Ministry of Finance and the Advisory Council in May, had accepted these conditions as inevitable. But this acceptance involved admission of Peking's supreme authority in financial administration, which only thus can become national. And this, in turn, implies not only the provinces' confidence in the honesty of Peking's intentions and administrations, but the surrender of their claims to increased autonomy. The question of Peking versus the provinces—*au fond* a question of money—remains therefore unsolved, and solvable only by a strong policy in the hands of a strong man, backed by material force.

That the provinces have no inveterate objection to foreign loans, and that, on the contrary, they are ready to take them on almost any conditions except that of supervision of expenditure, requires no elaborate proof. In February, 1912, the Republican Minister of Finance under Sun Yat-sen at Nanking was prepared to give to Japanese financiers liens on the properties of the China Merchants Company: the Kiangsu, Chêkiang, Kiangsi, Fukhien and Yueh-Han Railways; several steel, coal and iron enterprises in the

vicinity of Hankow, and other mines. But the operations of independent Japanese bankers were loyally checked by the Government at Tokyo, and no large loans were obtainable in other quarters. Small advances by Austrian and German private firms were arranged by the authorities of Chihli and Chêkiang, but broadly speaking, the provinces found themselves in the same position as they were under the Monarchy. The internationalisation of European capital served at least to protect China from the worst results of mandarin rapacity and unscrupulous foreign finance at a very critical period.

PROVINCIAL ADMINISTRATIVE AUTONOMY.

Other signs of local autonomy and interprovincial differences manifested themselves, however, at an early stage of the Revolution. In many cases provinces proceeded to elect their own Tutuhs or Military Governors, without reference to any central authority, and in the case of Kiangsu three separate districts elected rival Tutuhs for Shanghai, Soochow and Kiangpei. In March, the President of the Republic found it necessary to appeal to the good sense and patriotism of the nation in this matter, in a "Mandate" couched in the traditional phraseology:

"The election of Tutuhs by the provinces themselves before was due to the severance of their relation with the Central Government. Now, as unity of the whole nation has been effected, there exists no longer what used to be termed independence in the provinces. The local official system shall be framed and promulgated, according to the provisional law, by the Central Government for adoption. Whether the local assemblies should possess the power to elect their own superior officials or not, should, assuredly, be stipulated in the official system as decided by the National Assembly. If, before the promulgation of such an official system, the provinces should act, each upon its own

initiative, and persist in electing their Tutuhs time and again, the situation will surely become more chaotic, in direct contravention of the spirit of unification.

"The object which should be aimed at in our mode of procedure at present is the maintenance of the present state and the preservation of public peace; it is absolutely inadvisable to take provocative measures with frivolous frequency, thereby causing complications."

The position which confronted Yuan at this time was dangerous and difficult enough to daunt any man, and it speaks volumes for his statesmanship and courage that, with the poor materials at his disposal, he should have been able to evolve something like order out of the chaotic elements of the Republic. Apart from the deep-rooted and permanent distrust of the North for the South, the question of the capital was being violently agitated, Wuchang, Nanking, Tientsin and Peking all advancing their separate and well-supported claims. His own policy and his entourage were frankly distrusted by the National Council and by Ministers voicing the extreme views of the T'ung Meng-hui. The immemorial tradition of Government had been rudely shattered, and every province, every leader, might claim to be a law unto himself. At the time of the outbreak of the Revolution, Hupeh, Fukhien, Szechuan and other provinces had declared themselves as independent Republics. They had since joined the National Republican fold, but their claims to Home Rule were apparently unlimited. The prospect of a united nation consisting of eighteen Irelands on a large scale, and minus the Police, was bad enough; in addition, there were outlying positions of the ancient Empire, Thibet, Mongolia and even Manchuria, where the Republic was far from being an established fact. Provincial autonomy in Kansuh seemed likely to take the form of a Mahomedan rising, Chao Erh-hsün, Governor of Moukden, was still an avowed Imperialist; while General Chang Hsün, encamped with his army on the Tientsin-P'ukou line, was an unknown,

but certainly unruly, factor in the situation. Finally, there were the Manchu Princes and the Court, with its hoarded treasures, an ever present source of possible complications. With all these difficulties and dangers, Yuan, almost single-handed, has dealt, *tant bien que mal*, by virtue of his unrivalled capacity for ruling his countrymen, with a skilful combination of graceful compromise and timely firmness. But the financial problem which underlies the keenest aspirations of the provinces towards local autonomy remains unsolved and fraught with imminent peril to the State. It is a problem in which the persistent Conservatism of the masses will continue to be intelligently directed by the self-seeking elements amongst the students and gentry, to the furtherance of their individual interests and ambitions, a problem which, if solved at all, can only be solved by a judicious combination of centralisation in finance and local autonomy in administration, on the lines suggested in 1908 by Chang Chih-tung to the Provincial delegates of Hunan and Hupeh. To attain this end, and to maintain the Central Government's authority until it is achieved, it is essential that the foreign Powers interested in the future welfare of China should continue unitedly to insist on effective supervision of the expenditure of all new loans. Without this condition, the Central Government becomes again involved in a fierce financial struggle with the provinces, whereof the inevitable end can only be foreign intervention.

CHAPTER X

BRITISH POLICY IN CHINA

Looking back over the whole history of Great Britain's relations with China since the abolition of the East India Company's trading monopoly in 1834, one fact stands out in clear relief, namely, that the China trade, upon which great hopes have repeatedly been founded, has remained, from a national point of view, comparatively insignificant,[1] and incommensurate with the sacrifices and risks incurred to develop it. Apart from the more immediate questions of national defence, Great Britain's foreign policy represents, in the main, the collective opinions and interests of British traders; it follows, therefore, that where the trade with any particular country is insufficient in itself to influence a considerable force of public opinion in England, the policy of the British Government will, in the long run, reflect that insufficiency.

For a quarter of a century after the passing of the East India Company, British policy in China, under the vigorous direction of Lord Palmerston, represented the idea then generally prevalent in England, that the Chinese Empire, once successfully opened to trade, would offer a vast field of lucrative opportunities for British merchants. The wars of 1842 and 1858 were deliberately undertaken for the develop-

[1] The total value of Great Britain's exports in 1910 was £534,145,817. Of this, £9,317,122 worth were exports to China, that is to say, less than 2 per cent. The imports from China represented 5½ millions, out of a total of 687 millions, or less than 1 per cent.

Photo, Le Munyon, Peking.

BRITISH LEGATION GUARDED (MARCH, 1912).

ment and protection of that field, at a time when Englishmen had no reason to anticipate serious rivalry in the reaping of its harvests. There were no world-politics in the Asia of those days. The security of our Indian frontiers, our position and prestige as an Asiatic Power, were not affected by anything that happened at Peking. Until 1894, when the war with Japan foreshadowed the application of new forces of geographical gravitation to the splendid isolation of the Middle Kingdom, the interests of traders and missionaries constituted practically the whole business of British diplomacy in China. But after the second war, which confirmed the trading rights conceded under the Treaty of Tientsin, a gradual change took place in the policy of Downing Street, and the establishment of direct diplomatic relations at Peking slowly but surely brought conviction to the minds of those who studied the question closely that, as far as trade was concerned, the Chinese oyster could not be compelled to yield up its pearls by any application of force. It did not take long for the first British Envoy to perceive that (as he wrote in July, 1862) "in a country like China, the conclusion of a Treaty is the commencement, not the termination, of difficulties." At that time, only three other Powers were represented at the Chinese capital (France, Russia and the United States) and the great bulk of the business of the fifteen trading ports then open was in British hands. The British Government had committed itself definitely, by the assistance rendered against the Taiping rebels, to the upholding of the dynasty and the protection of the Empire's integrity.[1] The brunt of Chinese official obstruction, firmly opposed to the opening up of the country to trade, fell, therefore, upon the British representative. Sir Frederick Bruce's despatches of that period clearly reflect the steady decline of the hopes for

[1] Prince Ito considered that, in assisting the Manchus to suppress the Taiping Rebellion, Great Britain had committed a fundamental error "arresting a normal and healthy process of nature."

which the two wars had been fought, the fading of all the bright dreams of a great Chinese trade. For ten years after the conclusion of the Treaty of Tientsin (1858) evidence of a conclusive kind continued to accumulate in the archives of the British Legation, all pointing clearly to the hopelessly ineffectual results of foreign diplomacy at Peking. Sir Frederick Bruce was only the first of a long line of British representatives perforce condemned to helpless remonstrances and futile admonitions. He himself realised clearly enough the forces of disintegration already then at work, the inherent weakness of the Manchu administration and the impossibility of securing united action from Powers whose conflicting interests would always be used by the Chinese for the furtherance of their own ends. In 1861, he wrote: "The weakness of China, rather than her strength, is likely to create a fresh Eastern question in these seas." The resources of diplomacy and the enterprise of traders fought alike in vain against the stolid inertia of mandarin obstruction. For ten years the struggle went on, British Chambers of Commerce and individual traders plying the Minister and Downing Street with suggestions and appeals, while the Legation waged an increasing paper-war against violations of Treaty and irregular levies on trade; but already a reaction of discouragement had set in, and the exigencies of party politics came, with the removal of Lord Palmerston from the Foreign Office, to establish a policy of *laisser-faire* at headquarters. As early as 1862, we find the Foreign Office, responding to a reaction of benevolent non-interference with China's internal economies, restraining British merchants from the enjoyment of the rights of inland navigation and residence which the hard-won Treaties had conferred. In the following year, Lord Russell informed the Shanghai Chamber of Commerce that "it was desirable to diminish by every means in their power the points of contact between British subjects and the Chinese Government and population."

PRESENT POLICIES IN CHINA

THE POLICY OF LAISSER-FAIRE.

When Mr. John Bright took charge of the Board of Trade, he brought to bear on Great Britain's relations with the Celestial Empire not only the full weight of a sentimental humanitarianism which knew nothing of China, but an inveterate hatred of the Imperialism which had animated Lord Palmerston's policy in the Far East. Under his influence, the "points of contact" were effectively diminished and the activities of British merchants rigidly repressed. Mr. Alexander Michie, a far-sighted and dispassionate observer of Chinese affairs, referring to this critical period of British policy, says, "the change which came over the Diplomatic and Consular Services at the end of the first decade of diplomatic relations may be likened to the rising, followed by the receding, of a tide. . . . The Foreign Office became nerveless and invertebrate, sentimental and unstable. . . . Apathy became the principle; to keep the peace at all sacrifices is the avowed policy of British diplomacy in China."[1] No doubt, Sir Robert Hart's influence and advice on the Chinese side were powerful factors in determining a policy which was instinctively seeking the line of least resistance. In any case, the results were unmistakable, and they have endured unto the present day. Since 1870, the Chinese question has been a thorn in the side of British statesmen, and Peking the grave of more than one earnest diplomat's reputation. There have been paroxysms of misdirected energy, generally stimulated by the activities of other Powers rather than by imperative recognition of British interests, and these, in turn, have been followed by efforts at conciliating the Chinese and by the gradual retrocession of Treaty rights, either in deference to a definite policy of non-interference or because the game of defending them was not worth the expensive candle.

[1] Vide *The Englishman in China,* by A. Michie. (Blackwood. 1900.)

Summarising tho general results of British policy in the year 1897, at a time when Treaty and Tariff revision was under discussion, I referred to this aspect of the situation as follows:—[1]

"The various legitimate concessions which British merchants at the Treaty Ports now claim, as necessary to be obtained from the Chinese Government, in the event of Tariff revision, differ but little from those demands which were put forward by the Shanghai Chamber of Commerce in 1870, and most of the points then dealt with in the memorandum addressed by the Chamber to Lord Clarendon remain unsatisfactorily at issue to-day. The Chamber's memorandum of 1870 might well be sent in almost without alteration at the present time. Such being the results of the action, or inaction, of the British Government in the East (with whom, until quite recently, the trusteeship of all foreign interests in China virtually rested), it is scarcely a matter for surprise that the British merchant has of late years shown that lack of enterprise to which Mr. Consul Brenan refers in his recent report upon the trade of China. . . . Finding their just claims either totally disregarded or indefinitely shelved, hopeless of obtaining support either at the Legation in Peking or at home, can it be wondered that British traders, whose early history in China is a remarkable record of well-directed activity, have gradually fallen into a state of apathetic resignation, and fearing to embark upon any new line of business, have eventually become a class of commission agents for the Chinese? Is it also any wonder that the trade and intercourse of China with foreign lands remain totally insignificant when compared with the resources of the Empire?"

And, in another place:—

"A glance at Sir R. Alcock's unratified Convention of 1869, or at the despatches of Lord Clarendon, affords sufficient evidence of the policy then adopted, a policy not

[1] *Vide* Special articles in *The Times*. Republished as a pamphlet, Shanghai. 1898.

only retrogressive and fatal in its immediate results, but especially damaging to British interests in the influence which it has since exercised upon the Consular Service in China. The attitude of non-intervention and of deference to native prejudices, carefully instilled into every Consular student and assistant under Sir R. Alcock and Sir Thomas Wade, bears fruit unto this day, and almost every existing tradition of British officialdom in China reflects in some degree the instructions of Lords Clarendon and Russell."

DEVELOPMENT OF WORLD-POLITICS IN CHINA.

The policy thus definitely adopted by the Home Government in the late sixties emphasised the melancholy results of experience and a general recognition of the impossibility of creating a great China trade by force of pressure. It reflected also a benevolent belief in China's ability ultimately to set her own house in order and to develop her resources in her own way. But simultaneously with the process of disillusion and the fading of the bright hopes that had been built on British commerce in the Far East, the importance of China as a central factor in a new series of political problems began to be recognised—problems which perforce concerned Great Britain as an Asiatic Power. And as the facts of an entirely new situation forced themselves gradually into recognition, the undeniable possibilities of the future of China, once opened to commerce by railways and education, continued to afford incentive not only for preserving the integrity of the Empire as an open market, but for maintaining Great Britain's predominant position in its trade. There was at no time any question of territorial ambitions, and, after 1860, no further desire for military adventures. The weary Titan had learned in the Indian Mutiny the weight of the white man's burden in Asia and had no wish to increase it. Hongkong was only a necessary outpost of commerce, acquired for that specific purpose; Weihaiwei, "leased" at the height of the "spheres of influence" *régime*, was merely a blunder, com-

mitted to prove, by imitative procedure, that England was not a negligible quantity. From the late 'sixties until nearly the end of the century, the efforts of British policy in China were practically concentrated on the maintenance of our trading rights.

These efforts were certainly well-meant, but they suffered from a lack of continuity at headquarters, due to the exigencies of our party politics, to the sending of incompetent Ministers, and to the unsatisfactory traditions which had become firmly established in the Consular Service. Under no circumstances could diplomacy, unless backed by horse, foot and artillery, have opened the interior of China to the free transit trade of the Tientsin Treaty: no amount of good advice or threats at Peking could serve to abolish the *lekin* barriers of the provinces: the position of a British Minister, between the devil of his countrymen's undeniable rights and the deep sea of China's elastic resistance to pressure, was always undignified and frequently uncomfortable. For this reason, the "co-operative policy" of the Treaty Powers with its "most-favoured-nation" clauses and other protective machinery, was introduced at an early stage of the Peking Diplomatic Body's existence—but its only result was to merge the impotence of the individual Minister in the collective helplessness of his colleagues. An American Minister, with much less to complain of than his British colleague, compared the results of his labours to "boxing a feather bed"; another authority has likened the task of foreign diplomacy at Peking to fastening a jelly on to a wall with tacks. Looking back at the long wordy warfare of those days, one realises how impossible was the attempt to save the Chinese Government from itself. With every desire to strengthen China (a desire which increased as new danger-clouds loomed up on the Northern and Eastern frontiers), with every belief in the potential value of her trade, England had no means of convincing the mandarins, Manchu or Chinese, that their own existence depended upon fulfilment of their obligations. As

it was in Elgin's time, so it remained, "they yield everything to fear and nothing to reason"; and so successive British Ministers continued to urge reforms, military, financial and administrative, whilst tolerating China's systematic evasion of her obligations.

If we compare the interest displayed in the affairs and trade of China by the people of England in 1860 with the general attitude as reflected in the Press and in the proceedings of Chambers of Commerce in 1890, we perceive the unmistakable results of that gradual process of disillusion to which I have referred. But after 1895, the shadow of *weltpolitik* having begun to cast itself darkly across the Chinese Empire, and the interests of British bondholders having been added to those of merchants and missionaries in the Far East, the task of British diplomacy at Peking entered upon a new and more complex phase, as the result of which public opinion began once more to concern itself actively in China. Until the close of the Chino-Japanese war and the first revelation of Russia's Far Eastern policy, which followed the coalition of the three Powers against the victor, the man in the street (not excluding Downing Street) had been accustomed to think vaguely of China as a land of hopeless topsy-turvydom, where men eat puppy dogs and birds'-nests—a country inhabited by Sir Robert Hart and Li Hung-chang and four hundred million shadows with unpronounceable names. After the seizure of Kiaochao and the Battle of Concessions in 1898, public opinion began to identify China with things more familiar and intelligible; with Russia's unswerving ambitions for access to the open sea; with Germany's need of new places in the sun; with problems of threatened frontiers and new trade-routes; at the same time, the commercial world was stirred anew with splendid visions of the long-deferred opening-up of Central China, to be attained by the construction of railways and the development of mines, and cosmopolitan finance began to display interest in a country which presented unusual

attractions, as an improvident and defenceless debtor possessed of undeveloped resources.

THE POWERFUL INFLUENCE OF LOCAL VESTED INTERESTS.

At this stage of events, and as public opinion gradually came to take a more intelligent interest in Chinese affairs, it was realised by observers both in China and in England that the conditions under which British trade and British diplomacy had existed since 1860, had naturally tended to produce certain permanent results, which in themselves acted as obstacles to the framing and operation of an effective national and Imperial policy. The China trade, originally confined to a limited number of staples, handled at the Treaty Ports by a few British pioneers, had gradually built up predominant local interests in the hands of a few powerful firms. The very simplicity and concentration of the trade had produced two results: it had greatly limited the British public's interest in China, and, in the absence of any body of opinion, it had caused the policy of the Foreign Office to be very largely guided by the advice of the individuals and firms most prominently associated with China. It was very naturally assumed that those who had long experience of the country were the best judges of the situation and its requirements—and as neither the Legation nor Downing Street possessed experts fully acquainted with the commercial and financial questions peculiar to the East, it was equally natural that firms or individuals claiming to represent special knowledge or special interests should frequently be consulted by the Foreign Office. Within reasonable limitations, and under certain circumstances, this method of procedure had its distinct advantages. The "China Association," for instance, has for many years rendered notable services to the advancement of Great Britain's commercial and political interests in the Far East, and many individual Englishmen could be named—men of

the type of Mr. Gundry, Mr. J. L. Scott and Sir Charles Dudgeon—whose sense of public duty and patriotism enabled them, looking beyond all local and personal interests, to keep in view the wider aspects of Imperial and national policy. And so long as British interests in China were largely confined to commercial matters (that is to say, until the early 'nineties), the fact that the vested interests of the great shipping, banking and trading firms of the Treaty Ports were able to exercise a very considerable influence on British policy, was natural enough, and, generally speaking, beneficial. But as the problems of the Far East became more and more involved in the complexities of world-politics, the influence of vested interests, which were perforce more local than national in their outlook, became a stumbling block and a source of dangerous weakness to British policy. Even in the earlier stages of our relations with China, at such times as the immediate interest of the British tax-payer had been aroused by the prospect, or the actual outbreak, of expensive hostilities, the divergence between the vested interests of influential "China hands" and the national interests of an Imperial policy had been criticised by many observers. One of the earliest of these, Captain Sherard Osborn, R.N. (of the Lay-Osborn flotilla), writing in 1860,[1] commented on the "Sad lack of sound information evinced in the late debates upon China," and observed, "as an incontestable fact, that the opinions of the majority were based, not upon historical and commercial data, but simply upon the statements of certain special interests or factions." Referring to the Chinese Government's breach of the Treaty of Tientsin, he said:—

"The public in England, astounded at the sudden and unexpected perfidy, turned naturally for an explanation of the tragedy to those who had been living longest amongst

[1] *British Relations in China.* By Captain Sherard Osborn, R.N. (Blackwood. 1860.)

the Chinese. Then it was that we saw the Chinese vested interest paralysing the counsels of our sovereign, the strong arm of the executive, and the sound sense of the English public. Strange that people having to choose between class and Imperial interests should halt between the two. Yet so it is. Even Lord Elgin had to throw a sop to this rampant interest as he left our shores, and we meet it in all quarters, under all shapes and guises. The English merchants engaged in the Chinese trade are not perhaps very numerous, but they are extremely wealthy and possess, for their numbers, great interest. Firms that can allow members to retire on from £50,000 to £100,000 in the course of every few years are by no means despicable either in family connection, social position or territorial status in Great Britain; and the fight they are now making, and the specious arguments they advance on behalf really of their vested interests, have induced our statesmen to steer a middle course, which has up to this day signally failed."

ITS EFFECT ON RAILWAY CONSTRUCTION AND FINANCE.

Making all due allowance for the gallant Captain's "bias of class," there were undoubtedly good grounds for his criticism of a state of affairs which, although necessarily modified to some extent by the changes that have since taken place, continues, to this day, to vex the souls of patriotic Englishmen in the Far East and often to hamper the British Legation's well-meant activities. It is unnecessary unduly to elaborate a theme of its nature somewhat delicate and invidious. The fact is notorious and undisputed in the East that the policy of the Foreign Office has been for many years, and is, to a very great extent, founded upon the representations and advice of a privileged group of vested interests in China. Since the Battle of Concessions (1898) and the commencement of railway construction and finance, the activities of this influential group have naturally widened to meet a situation which speedily developed international features, and have added the cares of cosmopolitan finance

to the protection of purely British enterprises of trade and industry. I have shown in a previous chapter how the policy of Yuan Shih-k'ai in upholding the Monarchy, and the well-meant efforts of Sir John Jordan and his colleagues in support of that policy, were frustrated by the precipitate action of the great shipping and trading firms at Shanghai, more concerned for local and individual interests than for the Imperial or national aspects of the situation. In this instance, the action taken was short-sighted but intelligible, and its motives easily defensible, for the Republicans had brought to bear their favourite weapon, the threat of boycotts. Unfortunately, many instances might be cited where a clear consensus of opinion amongst the majority of Englishmen in China and the general efficiency of British policy have been sacrificed to the vested interests of an influential *coterie*. At the time of the Battle of Concessions, when the Yangtsze Valley was regarded as an exclusive preserve for British railway enterprise, the firm of Jardine, Matheson and Co. combined with the Hongkong and Shanghai Banking Corporation to form the syndicate thenceforth known as "The British and Chinese Corporation, Limited." In a letter to the Foreign Office (April, 1898), Sir Ewen Cameron foreshadowed the labours of this "strong, representative and influential syndicate," which (as the Peking correspondent of *The Times* observed in 1902) "has been able since then to command almost a monopoly of the British Government's support." To this syndicate was entrusted the carrying-out of the valuable concessions exacted, under strong diplomatic pressure, by Lord Salisbury's Government.

The rights and advantages conferred under these concessions were essentially national, and not individual, rights. In the case of the Northern Railway's loan of 1899, the British Government went so far as to take official cognisance of the terms of the agreement, Lord Salisbury recognising that it was inconsistent with the dignity of her Majesty's Government, and incompatible with British interests, to insist on

concessions being granted to Great Britain and then to fail to maintain them as national undertakings. But after the Boxer *débâcle*, and in the face of the new political complications introduced by Russia's retention of Manchuria, this logically sound policy was abandoned, and with it Great Britain's shadowy claims to a sphere of influence in the Yangtsze Valley.[1] For eight years the Concessions of 1898 remained undeveloped, despite the protests of the British community in general and the Crown Colony of Hongkong in particular —and when, the state of the money market being propitious, they were eventually taken in hand, it was done under conditions which subordinated the political and economic interests of Great Britain to the financial and individual interests of the concessionnaires. Despite many instructive object-lessons, the Foreign Office, while still insisting on the importance of maintaining the integrity of China, showed no appreciation of the fact that other nations were successfully developing their rights of railway construction as local "commercial" interests of a kind clearly foreshadowing political and military control. The concessions, if treated in the same manner as the Northern Railway's loan of 1899, might have been handled, effectively and without delay, by any of the numerous applicants for Foreign Office support, and without involving the British Government in any financial responsibilities. The importance of the railway question was theoretically recognised, and when Sir Ernest Satow returned to Peking from home-leave in August 1903, Lord Lansdowne stated that he went back with fuller powers and definite instructions to deal with it effectively. But at that date a new line of

[1] By the admission of German troops to the protection of the Settlements at Shanghai in 1898, Great Britain tacitly abandoned her claim to the Yangtsze Valley as a sphere of influence similar to that enjoyed by Germany in Shantung. This step was strongly opposed by the leading British merchants at Shanghai, but the Foreign Office's action had the support, in the China Association and in the House of Commons, of the London representatives of the officially-supported syndicate, and of the great shipping interests.

devolution had been discovered in the Japanese Alliance, whereby "the maintenance of the territorial rights of the High Contracting Parties in the regions of East Asia and of India, and the defence of their special interests in the said regions," were eventually to become to some extent dependent upon the loyalty and goodwill of the new Asiatic Power. From this time forward, the policy of Great Britain vacillated between spasmodic recognition of the world-wide importance of the Far Eastern question and sudden reactions of invertebrate parochialism. In July 1902, during the negotiations for the Mackay Treaty, Lord Cranborne went so far as to say that Great Britain was concerned, not so much in assisting China towards radical reform and the reorganisation of her commercial affairs with a view to their permanent prosperity, as in protecting the immediate interests of British manufacturers. Looking back on the "muddle and drift" policy of this particular period, one finds some excuse, if not justification, for the proceedings of those who were subsequently led to subordinate purely British interests to the exigencies and prospective profits of cosmopolitan finance.

THE CHINA ASSOCIATION AND THE CHINA LEAGUE.

The apathy displayed at this juncture in England concerning the Far Eastern question, and the subservient attitude displayed by the Central Committee of the China Association, had aroused deep misgivings in the British communities in China, and especially at Shanghai. The Shanghai Branch of the Association, by a unanimous vote of its members, urged that British interests in the Far East should no longer be treated as matter for confidential and ineffective representations to the Foreign Office, but should be brought into prominence by a policy of publicity and pressure.[1] The views of the Shanghai community, as a whole, were patriotic and national in their aims: those of the Central Committee represented what was described at the time as a "door-mat

[1] Meeting of the 12th of January, 1904.

policy" of friendly representations. At the beginning of 1901, when the prospect of Treaty revision held out new hopes of the long-deferred expansion of trade and the development of China's economic resources, sufficient interest had been aroused, for the time being, to create an influential group of members in the House of Commons, actively interested in the Chinese question, and to organise a "China League" frankly opposed to the policy of the "most-favoured syndicate" and vested interests. In a manifesto issued by the League in February 1901, the following passage occurs :—

"At a time when the future of China hangs in the balance, when the maintenance of our position and trade in that Empire (that is to say, the welfare of Great Britain in years to come) depends on the immediate policy of her Majesty's Government and the action of the British representative in the Concert of the Powers at Peking: at such a time, the Imperial Parliament, its attention apparently concentrated on personal explanations of unimportant matters, enunciates no policy on the Far Eastern question. Statesmen on both sides of the House, and publicists of all shades of opinion, remain silent in regard to the crisis, offering no solution calculated to protect British interests. A debate on the China question attracts less attention than a minor question of parochial Government."

The League was only stating melancholy truths, truths that reflect the central fact, which had led to the gradual decline of British political activities in China in the 'sixties, namely, that the trade of China and the vested interests by which it was chiefly represented were insufficient to create any effective force of public opinion ; and that, in the absence of such compelling force, no definite or consistent policy was to be expected from Downing Street. Except in very rare cases and at the hands of exceptional leaders, England's foreign policy follows, and does not lead, public opinion. The China League's well-meant activities eventually succumbed, like those of the China Association's branches in

the East, partly because of the hopelessness of coming to close quarters with elusive abstractions, and partly because many of the protestants realised before long that the practice of patriotic virtues might involve business disadvantages ; that to kick against the pricks of financial magnates was a proceeding not devoid of unpleasant risks. The power of a predominant financial institution in a community of traders whose business existence depends on credit facilities can hardly be exaggerated ; its influences extend to the uttermost ends of commercial, and even into social, life. Up till 1905, the Hongkong and Shanghai Bank had allowed the political side of concession affairs to be handled by its railway business partners, the firm of Jardine, Matheson & Co. ; its own operations were practically confined to exchange business, and its internal politics were still those of the enlightened patriotism which had distinguished Sir Thomas Jackson's administration in Hongkong. From 1905 onwards, however, the policy and the proceedings of the Bank underwent a complete change. Under the direction of the London management, in close touch with the Foreign Office, it embarked upon the business of political finance which (for reasons hereinafter explained) speedily assumed a distinctly cosmopolitan character.

Realising the dangers of the position, the Shanghai branch of the China Association continued until 1908 to advocate its policy of publicity and pressure, but the vested interests were strongly entrenched and the movement eventually died of inanition. Since that date, it may be said that the body originally organised to represent and promote British Imperial and national interests in China, has come to represent vested interests rather than patriotic principles. Its activities at the present day are generally comprised in an annual dinner and a Report, carefully edited to suppress everything of a contentious nature. On such vital questions as the Hankow-Szechuan Railway loan, for instance, or Russia's and Japan's claims to "special rights and in-

terests" in Manchuria and Mongolia, or the political-finance of the "Six-Nations" Banks, the Association remains collectively inarticulate and, so far as the public is aware, apathetic. Its attitude faithfully reflects, in fact, the policy officially prescribed by Downing Street for the guidance of successive British Ministers, namely, to raise as few questions as possible.

BRITISH POLITICAL FINANCE SINCE 1906.

The foreign policy of Great Britain in China for the past six years, so far as economic and industrial interests are concerned, may fairly be said to have begun and ended with the financial operations of the Hongkong and Shanghai Banking Corporation. It has been one of the most persistent fallacies of the Foreign Office, faithfully reflected by the China Association in London, that the political aspects of the China question can, and should, be kept separate from commercial affairs. This ingenious fetich was applied to British enterprises in general, and to railways and mining concessions in particular, even after the results of the continental policy of "conquest by railway and bank" had been demonstrated: it has even been applied to the affairs of the group which "commanded almost a monopoly of the British Government's support." Wearied by the futilities of the Mackay Treaty negotiations and the ever-increasing complexities of the situation, the *mot d'ordre* went forth (it was even recorded in despatches) that the British Government possessed no means of preventing China from repudiating her most solemn obligations. The British Minister's position became as unpleasant as it was undignified, for, whilst loyally assuring his nationals of the efficacy of the Home Government's defence of their rights, he was well aware that "not a ship would be moved nor a man landed" for the protection of any British interest. And the Chinese Government was equally well informed.

Therefore when questions arose from the evasion or repudiation of China's obligations in the matter of railways and mining enterprises, not to speak of everyday commercial cases, the nature of the support rendered by His Majesty's Government took the form of permitting the parties concerned to make the best compromise possible and proclaiming the results (when there were any) as triumphs of British diplomacy. There is little matter for wonder, though there surely is for regret, that, under such conditions, the financial vested interests which dominated the situation should gradually have drifted into cosmopolitanism. It may be of interest to recapitulate some of the principal events which led in turn to the Yangtsze Valley fiasco, to the establishment of the " Four-Nations " group, and to the hopelessly-involved situation therefrom resulting.

INTRIGUES OF GERMAN POLITICAL FINANCE.

In 1895, that is to say, before the Cassini Convention and the seizure of Kiaochao had foreshadowed the events which were to turn Manchuria and North China into a cockpit, the Hongkong and Shanghai Banking Corporation entered into an agreement to share with the newly-established Deutsch-Asiatische Bank of Berlin all Chinese Government business thereafter obtained by either party. In making this agreement, under political conditions widely differing from those of to-day, the British Bank was, no doubt, actuated by a perfectly legitimate and intelligible desire to avoid unnecessary competition in a field which, up to that time, had been generally neglected by other Powers. In 1898, however, with the acute development of the " spheres of influence " *régime* and the assertion by Great Britain of special rights in the Yangtsze Valley, five exclusively British railway concessions in that region were extracted from China, as I have said, under severe diplomatic pressure by the British Minister. These concessions were clearly not of a nature to be financed

with German participation; they were accordingly obtained in the name of a purely British syndicate, the British and Chinese Corporation, in which the Bank was associated with the British firm of Jardine Matheson and Co. as joint managers. From 1899 to 1906, as the result of the Boxer rising and the Russo-Japanese war, political finance in China remained, generally speaking, in a state of suspended animation, only one of the five British railway concessions being brought to the conclusion of a loan during that period. It is, however, noteworthy that, in regard to the final Boxer indemnity loan of February 1905, the Deutsch-Asiatische Bank asserted its right to participation under the terms of the 1895 agreement, although in 1898, foreseeing political difficulties with Russia, it had declined to exercise that right in the case of the Northern Railways loan. Upon the conclusion of the Russo-Japanese war, economic conditions in China quickly reflected the political changes which then took place as the result of Russia's defeat, of the aggressive nationalism of Young China, and of the increasing competition by new-comers for a share of the benefits confidently expected to follow upon the country's promised development of trade and industries. When, therefore, four of the five British railway concessions obtained in 1898 had been negotiated, *tant bien que mal*, to the conclusion of loan agreements in 1907-1908, the German Bank took occasion to intimate in London its intention henceforth of competing for railway and other Chinese Government loans, in the Yangtsze Valley and elsewhere, unless admitted to full participation on terms of equality.[1]

[1] In arranging for the evacuation of Shanghai in October, 1902, Germany had taken advantage of the occasion to intimate that Great Britain's claims to "influence" or economic advantages in the Yangtsze Valley would no longer be recognised. The event passed almost unnoticed in England: but if the British Government had possessed anything in the nature of a policy, this frank repudiation of a mutual understanding, ignoring the Anglo-Russian Convention of 1899, should at least have been followed by a denunciation of Germany's claims to "preferential advantages" in Shantung.

The position of the financiers responsible for the proceedings of the British Bank became, at this juncture, one of considerable delicacy. On the one hand, they were bound to acquiesce in the German demand for participation because of their undenounced agreement of 1895; on the other, having for years enjoyed a monopoly of British Government support and become identified with British enterprise of far-reaching political importance, they could not openly endorse these German claims without arousing criticism and opposition in England and France. The Germans, however, realising that the psychological moment had arrived, proceeded to force their partner's hand. The representative of the Deutsch-Asiatische Bank at Peking (Herr Cordes, formerly of the German Consular Service) had gained high favour with the Chinese in 1908, by dispensing with all effective control of loan funds in the case of the Tientsin-P'ukou Railway; he now gave an earnest of the significance of that policy, and claimed his reward, by opening independent negotiations with Chang Chih-tung, the Viceroy of Wuchang, for the Hankow-Canton, and Szechuan Railway loans. Both of these lines, coming within the Yangtsze Valley area, had been recognised by the Chinese Government as enterprises reserved for the British, only the United States being entitled to a half share in the financing of the Szechuan Railway. In entering into competition for these loans, the Deutsch-Asiatische Bank violated the agreement made on September 2, 1898, whereby German financiers bound themselves to respect the Yangtsze Valley as a British railway sphere.[1] In concluding its agreement with Chang Chih-tung on March 8, 1909, it ignored also a formal protest which had been addressed by Sir John Jordan to the Chinese Government in February, alleging, in justification of its action, that the conditions under which Great Britain's preferential rights had originally been recognised had automatically lapsed with "spheres of influence." In view of the fact that Germany's

[1] *Vide* Blue Book, China, No. 1 of 1899, p. 214.

claims to exclusive rights in Shantung have been consistently —not to say quixotically—recognised by Great Britain, the bad faith of Germany's action in this matter was on a par with that of the Chinese, who, in repudiating their pledges, were obviously actuated by their desire to set one barbarian against the other.

Despite the misgivings and dissatisfaction of the French financiers associated with the Hongkong and Shanghai Bank in the syndicate known as the "Chinese Central Railways, Ltd.,"[1] notwithstanding strong representations by the French Ambassador in London, and despite the protests and warnings which had been addressed to the Waiwupu by the British Minister at Peking, German participation in these Yangtsze railways became an accomplished fact in June, 1909. The British Government's deplorable weakness throughout this unfortunate episode was primarily due to ignorance of the inner workings of German political finance, and consequently to the preponderant weight exercised by the counsels of Lombard Street. The British Minister at Peking clearly perceived at the outset the disabilities and loss of prestige which British interests must incur as the result of acquiescence in German claims to participation in these enterprises, but the opinion of the Legation carried little weight against that of cosmopolitan finance. Downing Street sought justification for what was generally recognised as an ignominous *débâcle*, in the pious hope that, after the elimination of German competition, it would be possible to impose on the Chinese Government conditions of honest railway construction and administration. Any one acquainted with the political finance methods pursued by Germany in China, Turkey, and other "troubled waters,"

[1] The Chinese Central Railway, Ltd., is an Anglo-French syndicate formed, in 1898, for the purpose of undertaking railway and finance business in China north of the Yangtsze. It came into existence as an indirect result of Lord Salisbury's negotiations with the French Government concerning Yünnan and Szechuan, and of the Anglo-French Convention of 15 January, 1896.

must have realised the impossibility of attaining any such object by the means suggested; nevertheless, assurances were given, and apparently accepted in good faith by the Foreign Office, that, with the admission of Germany to participation with the officially-supported Anglo-French group of financiers in Chinese loans, those safeguards and guarantees would be re-established whereby China would be compelled to admit strict supervision of loan funds' expenditure. By an exchange of Notes early in 1909, the British and French Governments had declared themselves opposed to any British or French capital being lent to China except under such conditions of control; they might therefore have been justified, as a matter of expediency, in consenting to German participation had steps been taken to ensure fulfilment of the conditions of effective control named in the Memorandum of terms upon which the new Anglo-French-German combination was officially established. As events proved, no such conditions were imposed; on the contrary, the terms upon which the Hukuang and Szechuan railway loans were subsequently concluded with the Chinese Government, revealed an unmistakable tendency to relax still further the supervisionary safeguards, whereby the best interests of China and of her creditors had in the past been protected. This tendency became accelerated under Sheng Kung-pao's *régime*, and there can be but little doubt that, had it continued, capital in large amounts would have been entrusted to a disorganised and more or less irresponsible Government under conditions likely to lead to grievous waste and corruption, internal unrest in the provinces, and endless complications abroad.[1] The terms of the "Currency Reform and Manchurian Development" loan clearly reflected the temporarily

[1] By the Birch Crisp loan, negotiated in London and concluded at the end of September, 1912, the Chinese Government has proved once more its disregard of all considerations other than that of obtaining foreign capital without any stipulations as to its honest expenditure. Every such loan marks a stage on the road to political and financial bankruptcy.

profitable, but ultimately fatal, policy of floating Chinese loans regardless of their political and economic consequences—a policy, of Teutonic origin, which Great Britain for years wisely and successfully opposed, as prejudicial to "the independence and integrity of China."

THE UNITED STATES INTERVENE: "FOUR NATIONS" GROUP FORMED.

The admission of German participation with the Anglo-French combination (represented by the Hongkong and Shanghai Bank and the Banque de l'Indo-Chine), in the Yangtsze railway loans, was an event sufficiently significant and important in itself to provoke further political complications. The correspondent of *The Times* at Peking, telegraphing on May 9, expressed the general wonder that "the British Government should delegate to one British bank, which is naturally compelled to consider financial rather than national interests, the right to assist the extension of German influence." No sooner had British rights been irrevocably surrendered, however, than the Government of the United States intervened, formally protesting against ratification of the proposed railway loans, and claiming the American rights of participation recorded under the agreement of 1903 between Prince Ch'ing and Sir Ernest Satow. This was in June, 1909. Chang Chih-tung, advised by the agent of the Deutsch-Asiatische Bank at Peking, showed a disposition to ignore the American protest, whereupon President Taft took the unusual, but highly effective, step of telegraphing to the Prince Regent direct, forcibly insisting upon recognition of American rights. This telegram was described by the Peking correspondent of *The Times* as "directly due to the intrigues of the Deutsch-Asiatische Bank, whose influence over the Hongkong and Shanghai Bank is so injurious to British interests in China"; furthermore, he said "that it was the opinion of many Englishmen that the British Government

Photo, Betines, Peking.

AMERICAN LEGATION BARRICADED WITH SAND-BAGS.

Photo, Betines, Peking.

GERMAN GUARD ON LEGATION WALL.

should bring pressure to bear upon the Hong Kong and Shanghai Bank to dissociate itself from these German intrigues, which are persistently directed, here as elsewhere, to bring us into a misunderstanding with the Americans."[1]

The firm attitude adopted by the United States Government at this juncture, and its results, served to throw into relief the lack of knowledge and determination which characterised British policy. Chang Chih-tung, who had persistently violated his former pledges to Great Britain and contemptuously ignored the existence of the British Minister, was effectively brought to book in one short interview demanded by the American Chargé d'Affaires. As the result of President Taft's message, American rights were promptly recognised by the Waiwupu, and Chang found himself compelled either to accept them or to abandon altogether the railway schemes to which he was publicly pledged. In the event of this abandonment there would be compensation payable to Germany for non-fulfilment of the preliminary agreement, which had been used to force the British position. Germany, having secured her footing in the Yangtsze provinces on terms of equality with England and France, was not prepared to insist on the exclusion of America; her agents contented themselves, therefore, with earning further instalments of Chinese gratitude by sowing discord between the British and American diplomats and financiers. At the annual meeting of shareholders of the Hongkong and Shanghai Bank held at Hongkong in February, 1910, the Chairman faithfully reflected the aims of German policy. After observing that the Bank's protracted negotiations with the Chinese Government had resulted in a satisfactory arrangement "fulfilling all necessary conditions of security and providing for equal distribution of material benefits among the international

[1] *Tempora mutantur*: In an interview with a representative of the *Daily Mail* on August 26, 1912, the same authority is quoted as saying: "In no other part of the world do Germans and English work more cordially together than in China. Their interests are alike commercial."

groups interested," he deplored the fact that "the revival of claims in another quarter had necessitated the rearrangement of terms and had imparted a political character to the negotiations, which had unfortunately retarded their completion." With touching *naïveté* he contended that the fruits of the impending development of China "were likely to be shared most largely by those who, free from suspicion of political motives, are prepared to meet the needs of China in the simplest, fairest, and most practical way." Sentiments like these, coming at a time when Germany, with the plainest of political motives, had used its relations with British financiers to damage British prestige and encroach upon British rights, found no echo in the minds of Englishmen in China. The *North China Daily News* observed that "this appeal for the complete divorce of finance from national interests will, we venture to believe, meet with no response outside the financial circles immediately concerned." The writer, with perfect accuracy, charged these financial interests with having "arrogated to themselves the disposal of British Treaty rights and surrendered the British commercial claim on the Yangtsze basin," and justly concluded: "This may be finance, but it is not patriotism." Public opinion in China, however, had no visible effect upon events. The Chinese Government and the "Tripartite" bankers alike having made a virtue of necessity, and admitted America within the "ringed fence" of China's loans, the "Four Nations" syndicate became the officially recognised centre of political finance in China. In the chapter which deals especially with "International Finance and World Politics" the further history of this syndicate is traced, and its final evolution into the "Six Nations" group explained.

In a certain sense the British financiers of that group may be said to represent British policy, since in June last Sir Edward Grey was at pains to state in the House of Commons that His Majesty's Government had given them the assurance of its exclusive support. Thereby, as

will be shown, he practically confided to Lombard Street the responsibility of defining the nature and extent of Russia's and Japan's "special interests in the regions beyond the Great Wall," even as it had been allowed to define the British position in the Yangtsze Valley. But if we consider the situation as a whole, having reference to the particular commercial and industrial interests of Great Britain, we are faced with the fact that, whereas German and French financiers are obliged to conform strictly to the political directions of their respective Governments (representing therefore national interests), the British group of financiers are, generally speaking, independent of such control. As we have seen, their influence in Downing Street has outweighed on more than one occasion the opinions and advice of the British Minister at Peking. Even if the British financial institution which bears the chief responsibility for originating and guiding the China policy of the Foreign Office were British, in the same sense that the Germans are German, this confiding of international politics to a selected group of business men might be criticised as a new departure, and its public announcement by a Foreign Secretary would remain open to serious objections; but the experiment might possibly be justified by results. But when the determination of British policy and the protection of British interests are confided to financiers whose cosmopolitan entanglements and obligations are notorious, the situation appears to call for something more than desultory and listless questions in the House of Commons. If the British Government, realising that the future of China lies upon the knees of the gods in Lombard Street, chooses to appoint a financial institution as the exponent and agent of its policy in China, the least that Englishmen can ask is that the institution selected should be representative of purely British interests and national aims.[1] Discussing this

[1] The Board of Directors of the Hongkong and Shanghai Banking Corporation at Honkgong includes no less than four Germans.

feature of the situation editorially on the 11th June last, the *North China Daily News* deplored the words used by Sir Edward Grey, believing that "to those who do not know the facts of the case they will imply the responsibility of the British Government not merely for certain undesirable stages in the present negotiations, but for everything that the Hongkong and Shanghai Bank has done since the Four Nations syndicate became a name." Under the chapter which deals with International Finance, it will be seen to what lengths the Foreign Office has delegated its functions, and something of its authority, to financial representatives, English in name but cosmopolitan in fact, and how, as a result, Russia and Japan have been placed in a position to pursue their obvious intentions of exploiting Chinese territory with the assistance of British capital and the tacit support of the British Government.

EFFECTS OF COSMOPOLITAN FINANCE.

Sir Edward Grey, it is true, has laid stress upon the fact that His Majesty's Government incurs no financial liability in any of the "Six Nations" syndicate's proceedings. It is also true that the Foreign Office has insisted, at the eleventh hour and for the time being, upon "adequate guarantees for the proper expenditure of the loan proceeds," as a return for its monopoly of support, and as a condition essential to the British Government's approval of future issues.[1] So far, so good: but the whole history of the British Government's political finance in the Far East is strewn with the lamentable wrecks of similarly good intentions: the net results may fairly be summarised as having

[1] Since this was written, independent British financiers have taken action of a kind which emphasises the evil results of free trade in British capital, and shows that British capital may be lent to China under conditions which the British Government has formally disapproved in the interest of investors.

conferred the official *imprimatur* on loans wherein British capital has been advanced to increase the demoralisation of the Chinese Government and to serve, at the same time, the political ends of our competitors. It is something, at the last, to have reached a point at which no financial institution, either British or cosmopolitan, is likely to embark on large loans to China against a definite expression of opinion by the British Government; it is something to have perceived even dimly that a policy of intelligent anticipation and close co-operation between Downing Street and the Quai d'Orsai can be used to command the situation in international finance: but it remains to apply this knowledge to the purposes of a definite Imperial policy. Unfortunately, everything in Great Britain's attitude at Peking, from January to July, has reflected the purblind parochialism of the Labour party, of that unbalanced tail which wags the Liberal dog. The foresight and the good intentions of Sir Edward Grey have been repeatedly frustrated, in the sight of all men, by the Socialistic cult of the parish pump, so that (in the words of a correspondent of the *Spectator*) British policy in China remains "a headless torso, a monument of culpable irresolution."

On November 15, 1911, Sir Edward Grey telegraphed to the British Minister at Peking:—

"We have conceived very friendly feelings and respect for Yuan Shih-k'ai. We should wish to see a Government sufficiently strong to deal impartially with foreign countries and to maintain internal order and favourable conditions for the progress of trade, established in China as a consequence of the Revolution. Such a Government would receive all the diplomatic support which we could give it."

Unfortunately for British policy, as has been shown, the vested interests at Shanghai conceived, at the period of the monarchical crisis, very friendly feelings and respect for Yuan's opponents, so that the diplomatic support extended

to him at that time took the form of benevolent neutrality. Subsequently when, with the approval of his Majesty's Government, Russia and Japan had been included in the financial combination representing "the Powers whose interests are predominant in China," and when these two Powers had responded by making the proposed loans to China a basis from which to extend their schemes of territorial expansion at China's expense, no information was forthcoming from the British Government as to its attitude in so vital a matter. It was evident that cosmopolitan finance and the exigencies of a one-sided alliance had combined in China, as in Persia, to place the Foreign Office in a position where all its good intentions and sympathies were frustrated. The only means by which loans of British capital to China could be made to serve our Imperial and national purposes evidently lay in the direction indicated by the Foreign Secretary's telegram above-quoted: yet within the next few months the Foreign Office became a party to financial proposals and international arrangements which nullified those purposes.

THE NECESSITY FOR SUPERVISION OF LOAN FUNDS EXPENDITURE.

There are two kinds of British interest in China: the national interest, which lies in the protection and extension of our trade, and the Imperial interest, which lies in preserving the *status quo*, and in safeguarding our position as an Asiatic Power. For the furtherance of both these interests, the establishment of a strong centralised Government at Peking is a fundamental necessity—for upon it must depend the maintenance of China's territorial integrity and the gradual reorganisation of her finances. Yet, under the direction of cosmopolitan finance, the measures which have received the support of his Majesty's Government have been of a nature seriously to threaten the integrity of China, whilst

they hold out no enduring hope of putting her finances on a sound basis. As regards this last matter, the Foreign Office sins deliberately, for it is well aware, and declared its knowledge in 1909, that the only means by which loans can be made beneficial alike to Chinese and to British interests is by insisting on the safeguards similar to those which have made the Imperial Maritime Customs the country's only permanently reliable source of revenue. Sir Edward Grey knows well—as, for that matter, every financier of the "Six Nations" group knows—that no appointments of advisers, however distinguished, nor of auditors, however numerous, can secure the honest handling of public funds, for the simple reason that these appointments carry neither executive authority, nor any measure of responsibility, to any one but the Chinese officials themselves. What is required is the appointment of thoroughly reliable European accountants, responsible for every dollar of expenditure, under a regular system of published accounts. This system works well, to the obvious advantage of all concerned, in the Northern Railways, in the Shanghai-Nanking and Kowloon lines, and in the Imperial Maritime Customs. Without it, until China shall have produced honest and efficient public servants of her own, no other means exist to prevent every new loan bringing the country so much nearer to bankruptcy. The present proposals of the "Six Nations" group must inevitably lead to a repetition of the history of Turkey and Persia. No good reason has been advanced, either in the House of Commons or in the Blue Books, for lending the countenance of the Foreign Office or the capital of British investors under these conditions. If the evil must come, let us at least keep our free hand and a good conscience; but a concerted policy between England and France in political finance should be able effectively to control the international money market and to ensure that Chinese loans are made *for reproductive purposes only* and independently of the political designs of individual Powers.

CO-ORDINATION OF INTERESTS IMPERATIVE.

In following the line of day-to-day expediency on the Far Eastern question, the Foreign Office has hitherto merely conformed to a long-established tradition. Where there is no public knowledge and little public interest there is evidently no need for fixed principles nor even for definite ideas. But it is becoming increasingly evident that the hand-to-mouth *régime* will no longer serve the purposes of the British Empire in Asia. India, Persia, Thibet, the Manchurian provinces, the future of China—all these present questions which can no longer be handled on any water-tight-compartment system, but form part of a great problem of world-politics, vital in its importance to Great Britain. The most conspicuous feature of this problem, a feature of comparatively recent growth caused by the economic interdependence of the great commercial nations, is the part which internationalised capital is playing in the grim struggle for Empire and markets. One of the most notable facts about British foreign policy to-day is the failure of the Government—reflecting public opinion—to recognise the dangers arising from this source, and to organise and direct the use of British capital as a weapon of offence and defence. It is not only in China that Great Britain's commercial rivals, notably Germany and Japan, are profiting by our *laisser-aller* methods and by our failure to co-ordinate our politics with our industrial and commercial aims. Examination of the position of British interests in all parts of the world reveals the rapidly increasing effect of this factor as a determinant of success in the struggle for markets. In Portugal, in Russia, even in our own Colonies, the absence of all co-ordination between British capital and British industrial enterprise, and the absence of any directing policy, are gradually producing a state of affairs which renders British competition with Germany a losing game. With the exception of spas-

modic efforts, generally due to the foresight of individuals, it may fairly be said that British capital, as a national source of strength, is wasted under existing conditions. In numerous instances it might even be said that this element of strength is used, through channels of cosmopolitan finance, as a weapon against the interests of this country, British loans being diverted to furtherance of the political ends of our competitors, and to the benefit of their industries. It is almost unnecessary to cite instances of a state of affairs which is now so general as to create no surprise; when Japan borrows British capital for the construction of railways in Manchuria, she places her orders for railway-stock in the United States. When China contracts a loan in London for a railway line, within what was recently known as the British "sphere of influence," she spends a large portion of that money in Germany and Japan, and does not hesitate even at times to advertise publicly her preference for materials purchased from those countries.

In France, where cosmopolitan finance has attained its highest form of organisation (and some of its most deplorable results), the Government has long since recognised the necessity for safeguarding the interests of French *rentiers*, and at the same time for controlling capital as a source of national strength, by legislation which virtually prevents any French loan from going abroad without the full knowledge and approval of the French Government. In Germany, the co-ordination between political and financial activities is even closer, as all our recent experience in Turkey and China has clearly demonstrated. Not only does the German Foreign Office keep in close touch with the movements of its financiers abroad, frequently appointing German officials to the direction of such banks as are concerned in *welt-politik* business, but it has come to pass, as part of a regularly organised system, that all the great financial institutions are directly associated with groups of manufacturers and industrialists, so that the whole force

of politics, industries and finance moves forward, along predetermined lines, to a common goal. In other words, the great commercial nations have definitely accepted the lesson which we in England (still under the spell of a non-existent Free Trade) refuse to learn—namely that commerce is inseparable from politics, and finance from both. The comparative decline of British interests in Russia may clearly be traced to this absence of co-ordination between our industrial and financial interests, and the same cause and effect are visible in nearly every country with which we have dealings.

The results of our lack of system and intelligent co-ordination of national interests in Turkey have been peculiarly instructive. Light has recently been thrown on this subject by the revelations made in the French Senate on the Morocco "conversations" between M. Cambon and the German Foreign Secretary, revelations which leave us with the unpleasant feeling that the *entente cordiale*, genuine and strong as it is, is entirely ineffective to work for the common good of British and French interests, so long as the purposes of foreign-loan finance on this side are not systematically directed and controlled by responsible authority. Given such direction and control, it would surely have been impossible for the Kissingen conversations to have assumed the direction which they eventually took, to the detriment of British interests in Constantinople and elsewhere; it would be equally impossible for British and French finance to continue to work against each other. The Baghdad Railway affords a lamentable instance of the muddle-and-drift policy which has hitherto distinguished our foreign policy wherever cosmopolitan finance plays a leading part; the time has surely come for a thorough revision of our methods, for agitation and for education of public opinion, beginning with our Chambers of Commerce, to the end that British capital may in future be used *in partibus infidelium* as an element of national strength, directed by intelligent authority. It is not fitting that

South Gate of Nanking.

the benefits to be obtained from the use of that capital by foreign countries should begin and end with loan flotation profits and underwriters' commissions, which go, in many instances, to denationalised financiers generally indifferent to the destinies and the dignity of the British Empire. British policy must follow the example of the scientifically-organised commercial Powers and insist that the uses of Great Britain's surplus wealth shall benefit the nation's trade and industries.

COSMOPOLITAN FINANCE IN TURKEY AND CHINA COMPARED.

Regarding the actual position of affairs in the Far East, an instructive parallel might be drawn between the methods and results of cosmopolitan finance and *welt-politik* in Turkey and China respectively, and the extent to which their activities are responsible for the present misfortunes of each of these distressful countries. There are certain features common to the history of the "Four Nations" railway finance in China, and of the Baghdad line, which, properly studied, can hardly fail to educate public opinion and point morals for the future.

It is undeniable that, both in China and in Turkey, the economic rivalry of the great Powers has for years past been a chronic cause of unrest in the body politic; it is equally certain that, in both countries, the intelligent and scientifically-organised methods of Germany have succeeded in directing cosmopolitan finance—that is to say, much British and French capital—to the ultimate advancement of German ends political. The causes which determined the failure of British and French policy, and deprived the *entente cordiale* of all practical value at Constantinople, which eventually secured for German railway schemes in Asia Minor the partial assistance of French capital, are precisely similar in origin and inspiration to the causes which brought about the ignominious collapse of Anglo-French prestige, and the

failure of Anglo-French policy, in the matter of railway enterprise in Central China ; direct causes, moreover, of the present political unrest in the latter country. Germany's success, in both instances, has been directly due to the fact that the policies of Great Britain and France alike have been persistently subordinated to the aims of cosmopolitan financiers, whose private interests and profits have outweighed patriotic and national considerations, while German policy, on the contrary, has closely co-ordinated and skilfully directed her financial, industrial and political forces towards predetermined and exclusively German ends. In those countries, notably Asia Minor and the Far East, where the development of economic interests is clearly equivalent to the pegging-out of political claims for the future, Germany's finance is essentially political in character and far-seeing in design. Thus, in China, we find the business of the Deutsch-Asiatische Bank in its close relations with Chinese officials, conducted by selected members of the diplomatic or Consular services, men with whom the Fatherland is more than flotation profits and who know full well the advantages to be gained by dealing with those who hold the opposite view ; while at Constantinople, the all-pervading activities of German capitalists have been directed at, and from, the Embassy. And Germany, like Japan, takes good care to be well represented at important strategic points, so that conquest by railway and bank, originally a Russian invention of modern state-craft, is being greatly perfected in German hands. Most of its actual force, at more than one important centre, is derived from the advantages which it gains from the *laisser-aller* methods of British political finance and, at the same time, from the peculiarly cynical form of cosmopolitanism which has its headquarters in Paris and its ramifications in every capital. The revelations which took place at the end of 1911 concerning the relations between Messrs. Caillaux and Messimy and German financiers, and the effect of their negotiations on the political position of France in the zones

economically dependent upon the Cameroons, emphasise only one of the many phases of that cosmopolitan finance which, unless controlled, naturally subordinates every consideration to that of gain. The instincts which animated the French Congo Company of "La Forestière" group, their cynical readiness to barter the honour and political preponderance of France for flotation profits and dividends, find their counterparts in the Glarus syndicate of the first Baghdad railway loan, and again in that Anglo-French combination which, despite the efforts of British and French diplomacy at Peking, was largely responsible for the admission of German finance to participation in the railway loans of the Yangtsze Valley.[1]

The dangers of the existing situation and of our slipshod methods must be apparent to everyone who carefully examines the principles upon which Germany and Japan direct their political finance. It is impossible to imagine, for instance, that any group of financiers, no matter how cosmopolitan in tendency, should be able to command and use German capital for the advancement of British or French political schemes; the atmosphere of Berlin would be extremely unhealthy for the germs of any such idea. Nor can one imagine a German bank, working under the direction and enjoying the protection of the German Government, lending itself, either from indifference or interested motives, to proceedings injurious to the interests of German manufacturers and traders; the Teutonic intelligence rejects such notions. That such a state of affairs should ever have existed in France is the more remarkable in view of the official control which the Minister of Finance is expected to exercise, in the interests of *la petite épargne* and of French industries, over the employment of French capital in foreign

[1] It is a significant fact that M. Caillaux is President of the Paris group of the "Chinese Central Railways, Ltd.," the chairman of the London board being Sir Carl Meyer, Bt., who is also a Director of the Hongkong and Shanghai Bank.

lands. Under the French system, which makes quotation of stocks on the Bourse dependent on the goodwill and authority of the Government, it is only by the ignorance or the complicity of the Ministers concerned that the savings of French *rentiers* can be directed to purposes detrimental to the political and commercial interests of the nation. This control over the Bourse is a weapon of offence and defence which, if intelligently and patriotically used, should be one of the stoutest in the national armoury: more than one recent episode in international politics has demonstrated its protective force. But, so far as England is concerned, the relations which have existed in the past between the Foreign Office and Lombard Street have been of the indeterminate spasmodic type which muddles through on free trade principles, without system, definite information or continuous policy. At any given moment of our foreign relations it is impossible to foretell with any degree of certainty whether Downing Street will lead Lombard Street or *vice versa*. Under such conditions it would be strange indeed if that section of cosmopolitan finance which has its inspiration and its headquarters in Berlin failed to seek and to find herein its opportunities and rewards.

It is surely reasonable to hope that, since the revelations which led to the downfall of the Caillaux Ministry have drawn public attention in France and England to the dangers with which the purposes of the Entente are threatened by the uncontrolled activities of *la haute finance*, something of German vigilance and co-ordination of forces may be introduced into our own handling of national wealth as a national force. Especially necessary, at the present juncture, are a clear understanding and intelligent co-operation between the British and French Governments on the subject of political finance in the Near and Far East.

THE ANGLO-JAPANESE ALLIANCE.

It is not possible to conclude this survey of British policy in China without a word of reference to the Anglo-Japanese alliance. From the British point of view, the making of this alliance, in 1902, was a wise and necessary measure, intended to check the encroachments of Russia upon Northern China and to safeguard our commercial interests in that region. It was a bold and statesmanlike embodiment of intelligent anticipation and it served its purposes. (Similarly, two years later, we acted upon an intelligent but brief-lived appreciation of the necessities of the situation on the Indian-Thibetan border.) From the Japanese point of view, an alliance of some sort was essential at that date. It is common knowledge that Prince Ito, then at St. Petersburg, was on the point of concluding one with Russia when, by the advice of Prince Katsura and the Marquis Komura, H.M. the Emperor of Japan intervened and Prince Ito was ordered to support Count Hayashi's negotiations in London for an alliance with Great Britain. The alliance thus made was definite in purpose and businesslike. There has never been anything sentimental in the foreign policy of Japan, and her statesmen have from the first displayed a thorough appreciation of the fact that Treaties and Conventions between the great Powers may serve to conceal, but not to hinder, the processes of geographical gravitation and the ulterior purposes of statesmen. When the renewal of the Treaty was arranged by Lord Lansdowne and Count Hayashi, in August, 1905, at the same time as negotiations were proceeding at Portsmouth, U.S.A., for the conclusion of the Russo-Japanese war, the salt of the original pact had already lost its savour. The second agreement renewed an offensive and defensive alliance against contingencies which had ceased, for the time being, to exist, and it ignored the vital facts of the essentially changed conditions produced by

Russia's defeat. There may have been—no doubt there were—benevolent theorists who believed that Japan had fought her costly war to ensure the "independence and integrity of the Chinese Empire and the principle of equal opportunities for the commerce and industry of all nations in China," but every practical statesman and political economist realised that the war was an inevitable result of economic pressure in Japan, and that if she disputed Russia's territorial ambitions in the thinly populated and fertile regions beyond the Great Wall, it was because of that pressure, and of the imperative needs of her congested and over-taxed population to find outlets for expansion. It was absurd to suppose that the Portsmouth Treaty, or any other diplomatic convention, could protect China from the consequences of her own helpless inefficiency—any more than Mr. Hay's "open door" agreements had prevented the steady advance of Russia. The renewal of the Anglo-Japanese alliance presupposed identity of interests under conditions wherein everything pointed clearly to divergent policies and aims, and the Sino-Japanese agreement, concluded shortly afterwards in Peking, emphasised the fact. By virtue of her geographical situation and her new military prestige, Japan could not only assert preponderant political claims at Peking, but she could hope to push her trade and industries throughout China in successful competition with the European Powers, her ally included. The sentimental and other obligations of the alliance placed Great Britain in a position which made it difficult to take exception to proceedings precisely similar to those which, committed by Russia, had aroused the strongest opposition. From the outset, it became apparent that the Portsmouth Treaty was a dead letter in so far as its essential clauses were concerned, those which guaranteed the maintenance of China's unimpaired rights of sovereignty in Manchuria. When, for instance, in November, 1909, Earl Stanhope in the House of Lords inquired whether His Majesty's Government did not

consider it advisable "to determine the geographical limits within which the Japanese Government was entitled to veto such measures as the Chinese Government might desire to take for the development of Manchuria and Mongolia," the Earl of Crewe deprecated the raising of such delicate questions and observed that the matter was one for arrangement between the Governments of China and Japan. The Portsmouth Treaty and all the other conventions and agreements which guarantee the integrity of China are tacitly recognised to be of no more effect than those which guaranteed the integrity of Korea. As a matter of practical utility and national dignity, the renewal of the alliance was therefore undesirable, if only because England becomes thereby identified with all the proceedings of her ally. The "face" of both Governments has been duly preserved by repeated declarations of loyalty and mutual confidence, but the fact remains, that the declared objects of the renewed alliance, like the intentions of the Portsmouth Treaty, were opposed to those instincts of self-preservation which ultimately govern the policies of every nation and opposed to the fundamental laws of evolution. Both have been rendered superfluous, not to say ridiculous, by the Russo-Japanese entente, whereby the wisdom of Prince Ito has finally been justified.

Broadly viewed, all the policies of modern States reflect, in a greater or less degree, the vital problems created by economic pressure. Thus considered, the avowed purposes of the present Anglo-Japanese alliance constitute a polite evasion of facts and of necessities as imperative in their way as the Monroe doctrine or the Panamá Canal policy of the United States. If, leaving the Japanese side of the question, we turn to consider in the same light the latest manifestations of British policy in the Far East, we perceive that they reflect the parochial outlook of the Government's Socialist and Labour parties, and the electorate's inability to realise the direct bearing of an Imperial policy and foreign markets

on the new problems created by economic pressure in the British Isles. Under such conditions, the line of least resistance, the traditional tendency to "diminish the points of contact," though opposed to all the avowed aims of British policy in the past, possesses undeniable attractions in the present. The Anglo-Saxon mind adapts itself slowly to changes in its environment: a characteristic of the race which makes for stability when the changes are gradual, a source of weakness when they are complex and rapid. A nation which has not yet realised the necessity for national military service as a condition of national existence, and which believes in the possibility of Free Trade, long after the thing itself has disappeared, cannot be expected to appreciate the significance of the swift march of events in furthest Asia. The best that can be expected is that the statesmen and publicists whose duty it is to educate public opinion in matters of national importance, should perceive, amidst the turmoil of events and changing conditions in China, the points at which British interests are most likely to be threatened—to perceive, for instance, the importance of maintaining the Chinese Monarchy as compared to the risks of a brief trade boycott; the advantages of a definitely British policy, however defective, as compared with the machinations of international finance. To the most superficial observer in Tokyo and St. Petersburg, it must have been apparent from the outset that England was not likely to oppose either Russia or Japan in any aggression they may commit on China, lest either or both of these Powers should be drawn into the orbit of German *welt-politik*. This central fact is patent and its consequences must necessarily be serious: but even so, there would seem to be no necessity for tamely surrendering our strategic positions or for gratuitously playing into the hands of our rivals. For the Russo-Japanese entente is no more the last word on the Far Eastern question than was the Anglo-Japanese alliance.

Photo, Le Munyon, Peking.

CHANG KUEI-TI'S TROOPS (MANCHUS) BY WHOM ORDER WAS RESTORED AFTER THE MUTINY OF FEBRUARY 29TH.

Photo, Le Munyon, Peking.

U.S.A. TROOPS, PEKING (MARCH, 1912.)

CHAPTER XI

AMERICAN POLICY IN CHINA

Fitfully, but unmistakably, the policy of the United States in the Far East during the past decade reflects an increasing sense of the responsibilities which the nation assumed when, after the war with Spain, it set forth upon its Imperial way as a world Power. This beyond all doubt; but for those who watch carefully the political skies, it reflects also other things. It reflects the eternal instinct of self-preservation, strong in nations as in individuals, adapting itself to a changing environment; the gradual passing of the American people from agricultural to industrial means of livelihood; the growing consciousness of economic pressure; a vision not far distant, of the nation's need of new markets for the produce of its town dwellers and new places in the sun; the steady impact of congested Europe expressing itself in new forces of expansion. The lofty Imperialism with which Mr. Roosevelt inaugurated the "Pacific Era" at San Francisco in 1903 stands, as a signal post, at the parting of the ways. The safeguards of seclusion were henceforth abandoned; the "geographical barriers" of the old Monroe doctrine went down, almost unperceived, with the annexation of the Philippines. The American people had taken on the white man's burden; they must pay the price of greatness. And, whatever the misgivings of the few, the many have cheerfully shouldered that burden. "We have no choice," says

Mr. Taft, "we people of the United States, as to whether or not we shall play a great part in the world. That has been determined for us by fate, by the march of events. We have to play that part; all that we can decide is whether we shall play it well or ill."

The record of American foreign policy since 1898 bears eloquent testimony to the dilemmas of a transition state, to the difficulty of reconciling the doctrines of the old dispensation with the inevitable consequences of the new. It was difficult for instance, for a country that had passed the Dingley Tariff Bill, to preach the gospel of the "open door"; difficult for a Government compelled to insist on the exclusion of Asiatics, to proclaim the brotherhood of man and the gospel of equal opportunity; difficult to reconcile "dollar-diplomacy" with the fundamental principles of the Monroe doctrine, and the "avoidance of entanglements with the broils of Europe." But the logic of events is more convincing than the logic of reason; the big stick of necessity stronger than the olive branches of abstract justice. In considering the foreign policy pursued at Washington since the United States' supremacy became established in the long-disputed region of the Panamá Canal, we are everywhere confronted by constantly recurring symptoms of conflict between the nation's conscience and the nation's needs. Everywhere we see the American people's high ideals of humanitarianism and justice, its chivalrous impulses of altruism, its quixotic sympathy for the "under dog," struggling against the inevitable results of vigorous nationalism and ambitions of expansion. In the Caribbean Sea, as in the Pacific, in Mexico as in Manchuria, we find, side by side with a just perception of the claims of humanity and civilisation, a very clear and business-like appreciation of the present and future needs of the Great Republic. The spirit which impelled it to lay its hands upon Panamá and to set its outposts in the far Pacific, represents the nation's collective consciousness of the world's

mass pressure of population; against which grim fact philanthropists and peacemakers struggle all in vain. The causes which have led the United States to dismember Colombia and control Panamá are the same, in their economic origin, as those which impel the Japanese towards Manchuria; the causes which led the United States Senate to discriminate in favour of American shipping in the matter of canal tolls, are the same as those which lead the Japanese to favour their own people in the matter of rates on the Manchuria Railways. The polite fictions with which all countries, for decency's sake, are accustomed to veil such proceedings, are the last tribute which hard facts pay to idealism. Of all the oaths and pledges taken by self-deceiving humanity, those sworn by Governments to each other are the least binding.

THE UNITED STATES AS A WORLD POWER.

The emergence of the United States into the field of world politics coincided with a period in which the restraining force of Treaties and Conventions had diminished to vanishing point. With the seizure of Kiaochao by Germany in 1897 and a general perception of Russia's forward policy in the Far East, the modern world appeared, indeed, to have entered upon an era of international piracy tempered with benevolent sentiments, a period in which the rights of the weaker nations were to be brushed aside with brutal cynicism; when the monarch who had convened the first international Peace Conference was planning the conquest of a new Eastern Empire, and when the chief signatory States were making themselves ready for war; when political platforms resounded with professions of universal peace and goodwill, that served but to mask new moves in the inevitable struggle for supremacy and survival. Whenever a nation's vital interests of self-preservation are concerned, the dreams of Mr. Carnegie

and the graceful conventions of diplomacy recede alike into the far distance.

Subsequent to the decline of American shipping, after the disappearance from the Pacific of the Canton clippers and the Honolulu whaling fleets, the interests of the United States in China, until the close of the century, were chiefly confined to the protection of its missionaries. It must be remembered that not until 1847 did California become included in the Union. It was then that the country acquired its first coast line, and its first proprietory outlook, on the Pacific. Six years before the Civil War, the famous expedition of Commodore Perry to Japan had aroused the enthusiasm of the American people and a general interest in the destinies of the Asiatic empires on the other side of the Pacific; but this interest passed with the passing of the mercantile marine, and the eyes of the nation thereafter turned eastwards and not west. Twenty-five years later, the annual exports of American goods to China had barely reached a million dollars; the interest of the man in the street, strictly intent on business, remained therefore languidly platonic where the Far East was concerned.

In 1900, although the "Pacific Era" may be said to have begun with the acquisition of the Philippines and the Panamá Canal rights, and although American exports had risen to sixteen millions of dollars, the policy of "avoiding entanglements in the broils of Europe," logically resultant from the Monroe doctrine, was reflected in the half-hearted participation of the United States in the march of the Allies to the relief of the Peking Legations. The State Department, however, was not long in reconciling the facts of the situation with the immediate requirements of its new Imperial policy. At first sight it seemed impossible—as indeed it does to logical minds to-day—to continue to regard the Atlantic Ocean as a geographical barrier, while declaring the Pacific to be no such thing. Could America claim the right to an active part in the affairs of Eastern

Asia while bound by the traditional policy of the Monroe doctrine?

The Anglo-Saxon mind has a special aptitude for making virtues of necessities; it is not wont to indulge doctrinaire weaknesses to the point where they clash with actual or potential interests. It was not likely that any accepted interpretation of the Monroe doctrine would prevent the Government at Washington from following the new road of the nation's Imperial destinies overseas. Therefore, the face of the famous doctrine was saved, but slightly changed, to meet actual circumstances. It was decided that the principle of non-interference in the affairs of Europe did not preclude the annexation of the Philippines or other islands in the Pacific. Captain Mahan gave this solution of the problem a semi-official *imprimatur* by the expression of his authoritative opinion that "Europe, construed by the Monroe doctrine, would include Africa, with the Levant and India . . . it would not include Japan, China, nor the Pacific generally." It will be observed that this definition, while opening Asia to the Americans, made no provisions for the possibility of Asiatics seeking reciprocity of opportunities in America — an oversight that has recently necessitated a further extension of the Monroe doctrine,[1] and will, no doubt, involve its drastic amendment in the near future.

Mr. Roosevelt's "Pacific Era" speech at San Francisco in 1903 voiced the expansionist ideals that had taken hold on the imagination of the American people, dreams of far-reaching dominion and the mastery of the Pacific. "The extension in the area of our domain," said he, "has been immense: the extension in the area of our influence even

[1] Senator Lodge's Resolution, adopted by the Senate in August, 1912, precludes foreign State-controlled corporations or associations from becoming possessed of harbours or places on the American continent. This Resolution arose directly from the rumours of attempts being made by the Japanese Government to obtain by purchase land for a coaling station at Magdalena Bay.

greater. America's geographical position on the Pacific is such as to ensure peaceful domination of its waters in the future, if we only grasp with sufficient resolution the advantages of that position." However much purists and sticklers for the rights of nations may cavil at Mr. Roosevelt's language and diplomatic methods, there is little doubt but that his all-pervading spirit of buoyant vitality appeals to the man in the street, and that, in the main, they represent a policy of enlightened self-interest necessitated by world politics and justified by results. No doubt the idea of a "peaceful domination" of the Pacific, like Mr. Roosevelt's gospel of the large family, contains in itself a denial of all the dreams of universal brotherhood and peace with which American philanthropists have been so prominently identified; the man in the street is no logician, and in his innermost heart, he usually says, "my country, right or wrong." "I took the Panamá Canal zone," says Mr. Roosevelt, "and left the discussion to Congress," and public opinion endorses the result, if not the method, just as it applauded his declaration eight years before that "to the United States must belong the dominion of the Pacific."

AMERICA'S POSITION IN CHINA.

When, as a natural consequence of the dawn of the "Pacific Era," American statesmen turned their serious attention to China, after the restoration of diplomatic relations in 1900, they found themselves confronted with several difficult and delicate problems. With a view to securing equal opportunities in the development of China's trade, which then (as now) was popularly believed to offer a vast field for commercial enterprise, their first object was to prevent the partition of China, and particularly the absorption of Manchuria—America's best market in the East—by Russia. Their next task was to regain the confidence and good-will of the Chinese, rudely shaken by the enforcement

of the Chinese immigrants Exclusion Acts. The value of the Chinese market to American manufacturers had been steadily increasing; in 1902, for the first time, exports from the United States to China exceeded the imports from that country. England's policy of the "open door" offered a solution of the first problem. The State Department espoused it as warmly as any free-traders could wish, and Mr. Secretary Hay addressed a circular Note to the Treaty Powers asking their adherence to the general principles of equal opportunities for trade and the integrity of Chinese territory. The Powers responded with suitable expressions of their disinterested devotion to both principles, and the Press of the world rejoiced over so conspicuous a triumph of benevolent diplomacy. The paper victory was manifest: the fact that Russia continued to tighten her grip on Manchuria, advancing the while her lines of attack to the Yangtsze, while Germany held fast to her exclusive sphere in Shantung, was tacitly ignored by common consent. On the 30th January, 1902, England's offensive and defensive alliance with Japan cast the first shadow of coming events by defining "the common interests of all Powers in China" to be identified with maintenance of "the independence and integrity of the Chinese Empire and the principle of equal opportunities for the commerce and industry of all nations." The United States, a new comet in the field of world politics, had asserted the threatened rights of the Powers. Japan, another new comet, was now preparing to prove the fundamental truth that Treaties and Conventions bind only the weaker contracting party and that the destinies of nations depend not on such instruments, but upon national efficiency and material force. But America's diplomacy served its purpose for the time being, in securing the respect and goodwill of the Chinese, who had hitherto been wont to regard the Government at Washington as a well-meaning but ineffective peace-maker in ordinary.

THE ASIATIC EXCLUSION ACTS.

The conciliation of the Chinese in the matter of immigration laws was a more delicate matter. It was, indeed, difficult for a nation which, in claiming the "open door," professed the loftiest principles of disinterested benevolence, logically to support the policy which had excluded the Chinese not only from the United States, but from its newly-acquired possessions in the Pacific. If Treaties and Conventions were any evidence of good intentions, the Chinese could, and did, take their stand upon the Burlingame Treaty (of 1868), which proclaimed America's and China's "cordial recognition of the inherent and inalienable right of man to change his home and allegiance, and also the mutual advantage of the free immigration of their citizens and subjects respectively, from one country to the other, for purposes of curiosity, of trade, or as permanent residents." China, gladly subscribing to these lofty principles, had alleviated her economic pressure by sending large numbers of her industrious subjects to the United States, rendering material first aid in the development of California. It was not to be expected that the Chinese Government or people should appreciate the new American point of view in this matter, based, as it was, not on broad humanitarianism, but on a ruthless race instinct of self-preservation. Ten years only had elapsed between the signing of the Burlingame Treaty and the first Exclusion Bill in Congress. In 1904, the measures actually enforced against Chinese immigrants were not only technically illegal, but the savage brutality displayed in the murder of Chinese labourers by Californian mobs, and the indignities inflicted on well-educated Chinese by the San Francisco Customs, had aroused the deepest resentment, especially at Canton. The upper classes' sense of justice and reason was outraged, whilst the lower realised that

Photo, Le Munyon, Peking.

American Guard on City Wall, Peking, March 1912.

Chinese Sentry on Duty at Yamên, Wuchang.

they had been suddenly cut off from a new world of equal opportunities. "Have not the Chinese eyes? Have not the Chinese hands, organs, dimensions, senses, affections, passions? . . . If you prick us, do we not bleed? If you tickle us, do we not laugh? If you poison us, do we not die? And if you wrong us, shall we not avenge? If we are like you in the rest, we will resemble you in that."

Thus, in effect, spake Young China to the Government at Washington, and to the American Minister at Peking; and after the triumph of Japan over Russia, its sentiments, hitherto mildly remonstrative, began to be expressed with no uncertain voice. The officials who were in charge of China's foreign relations at Peking were, as I have shown, mostly men who had received their education in America; who perceived and resented the fact that America's policy of righteous solicitude for the rights of the Chinese in China in no manner affected its cruel and unjust treatment of the Chinese in America. T'ang-Shao-yi, who had learned his politics at Columbia College, was never disposed to turn the other cheek to the smiter: there is little room to doubt that the anti-American boycott of 1905 was inspired, if it was not directed, by the Cantonese politicians, north and south. In Chihli and the north, generally, there was little or no stoppage of trade in American goods; but at all the provincial capitals of Central and Southern China, the organisation and influence of the Cantonese Guilds were sufficient to make it extremely effective. In a sense, this boycott was a manifestation of the enthusiastic spirit of militant nationalism with which Young China was seized after the triumph of Japan over Russia, and of revenge for the American exclusion legislation; it was evidently a Cantonese rather than a national movement; nevertheless, as an indication of new forces and new tendencies, its significance was unmistakable, and public opinion in the United States was visibly impressed. On the 26th of June, a Presidential Message addressed to Diplomatic and Consular

representatives conveyed, an intimation that the United States Government would, for the future, guarantee admission to America and courteous treatment to Chinese travellers and students. Unrestricted Chinese immigration was impossible, of course—it would mean civil war on the Pacific slope—but everything else that could be done to gain the friendship of Young China must be attempted.

THE POLICY OF CONCILIATION AND GOODWILL

Fortunately, the opportunity was at hand of proving once more, in the *rôle* of international peace-maker, America's sincere desire to make amends to China for the offences of California, for the discreditable Hankow-Canton Railway fiasco and other sins of omission unredressed, and at the same time to display effective philanthropy on China's behalf. The Portsmouth Treaty, concluded under American auspices on the 23rd of August, 1905, marked a turning point of America's policy in the Far East. President Roosevelt received full credit in China for his initiative in bringing about the termination of hostilities; and the Government at Peking recognised in Articles III, IV, and VII of the Treaty a new affirmation of the inviolability of Chinese territory guaranteed by the late combatants before the eyes of all the world.[1] At the beginning of the war, America had been instrumental in

[1] These articles possess only a melancholy retrospective interest to-day, having served merely to demonstrate the futility of Treaties that clash with the interests of the strong: nevertheless, the reader may do well to study them in the light of actual events in Manchuria.

Art. III.—The Imperial Government of Russia declare that they have not in Manchuria any territorial advantages or preferential or exclusive concessions in impairment of Chinese sovereignty or inconsistent with the principle of equal opportunity.

Art. IV.—Japan and Russia reciprocally engage not to obstruct any general measures, common to all countries, which China may take for the development of the commerce and industry of Manchuria.

Art. VII.—Japan and Russia engage to exploit their respective railways in Manchuria exclusively for commercial and industrial purposes, and in no wise for strategic purposes.

protecting China's territory and dignity by securing a reasonable limitation of the area of hostilities, and previous to this, she had led the Chinese Government, for its own protection as well as for the advancement of American commerce, to open Moukden and Antung to the trade of the Treaty Powers. The conclusion of the Portsmouth Treaty, and the conciliatory spirit displayed at Washington on the subject of the boycott, placed American relations with China on a footing of exceptional cordiality. The sympathetic attitude shown by American missionaries in the East and by the Press in America towards Young China, emphasised a *rapprochement* which was founded, in the first instance, on a timely coincidence of the national conscience with national interests. Finally, the arrangement by which America refunded to China a large portion of the Boxer indemnity,[1] and China's undertaking to devote this money to the sending of Chinese students to the United States, gave to the relations of the two countries an element of solid friendship based on mutual benefits. To Mr. Rockhill, America's just and far-seeing Minister at Peking, belongs a large share of the credit of a policy which greatly advanced the prestige and influence of his country in the Far East. The *amour propre* of the Americans, on their side, was flattered by the fact that the leaders of the Young China movement, from whom they expected the regeneration of the ancient Empire, drew much of the inspiration of their reform programme from the United States. Thus, at the end of 1905, everything concerning China was *couleur de rose*; spheres of influence were to be abolished, the open door and equal opportunities established for all time. A regenerate China, guided by the Great Republic, would speedily make her way, as Japan had done, to an honourable place among

[1] There were two precedents for this payment of political conscience-money. In 1885, the United States Government had refunded to China nearly half a million dollars paid in connection with riot claims. Similarly, in 1883, it had handed back to Japan, twenty years after the bombardment of Shimonoseki, its share of the indemnity levied on that occasion.

the nations. As Sun Yat-sen observed at the auspicious opening of another epoch, " everywhere a beautiful repose doth reign."

Nevertheless, for the nation whose leading statesmen had proclaimed the mastery of the Pacific to be America's predestined birth-right, the decisive emergence of Japan into the front rank of the world's great Powers was bound to necessitate a readjustment of policy in certain directions and careful consideration of possible consequences. With the invincible optimism that characterises official altruists, Washington appeared, indeed, to believe that, by the signing of the Portsmouth Treaty, an essential change had been wrought in the political and economic conditions of the Far East; that, by some mysterious virtue of diplomacy, the law of the survival of the fittest had been definitely suspended. In the face of the specific declarations of the Portsmouth Treaty, not to mention the avowed objects of the Anglo-Japanese alliance and the solemn *anti-bellum* pledges spontaneously given to the world by the Japanese Government, it was evidently not to be apprehended that Japan would do anything to encroach upon or contest China's sovereign rights in Manchuria. The extreme cordiality of the relations existing between America and Japan during the course of the war, plainly manifested in the enthusiastic reception given to Mr. Taft on his way to Manila, was sufficient in itself to guarantee the maintenance of the *status quo* and to disprove the pessimistic opinions of those who persisted in considering political problems from the standpoint of biological science. There were disquieting symptoms, it is true, in more than one quarter. The Treaties which guaranteed the independence of Korea, under solemn declarations of the Powers (including America), had gone down before the stern logic of facts; the Peking Agreement of December, 1905, negotiated by Japan in conformity with Articles V and VI of the Portsmouth Treaty, was understood to contain sup-

plementary clauses of a nature to suggest rocks ahead. A considerable section of public opinion in Japan was bitterly disappointed at the terms of peace arranged at Portsmouth and resentful over America's share in that business; and the attitude of California on the subject of Japanese immigration was anything but cordial. Nevertheless, the Government at Washington pinned its faith to the maintenance of the open door and the permanence of Chinese sovereignty in the Three Eastern provinces.

THE MANCHURIAN RAILWAYS QUESTION.

This faith was soon to be tested. Immediately after the signature of the Portsmouth Treaty, in September, 1905, the American railway magnate, Mr. E. H. Harriman, a man with a passion for thinking in continents, concluded with Marquis Ito and Marquis Katsura, a Memorandum of agreement for joint American-Japanese ownership and working of the South Manchurian Railway, together with the various coal, timber and mining concessions which the Russians had extracted by pressure or bribery from Chinese officials, and of which the Japanese Government (under Article VI of the then unratified Portsmouth Treaty) proposed to obtain the reversion. This joint working scheme, to be financed with American capital, was to form a link in Mr. Harriman's projected round-the-world transportation system. The Memorandum was necessarily provisional; but the fact that statesmen of the calibre of Ito and Katsura should have favourably entertained the proposal throws an instructive light on subsequent events, and suggests an interesting train of thought as to the possible development of the situation had Great Britain shown any intelligent anticipation of events, and had the British Government evinced any decided intention of maintaining the avowed principles of the Anglo-Japanese alliance.

Mr. Harriman's agreement could not have been com-

pleted, in any event, until after the ratification of the Portsmouth Treaty and until China's consent to its provisions had been obtained. The Treaty was ratified on the 5th of November, and on the 22nd of December Count Komura concluded his Peking agreement with the Chinese Government, greatly assisted towards the unavowed purposes of the "Supplementary Clauses" by the venal tractability of Na T'ung, President of the Waiwupu. Upon the conclusion of this momentous agreement, which put an end to the open-door shibboleths of the Portsmouth Treaty, Count Komura telegraphed to Tokyo, and Mr. Harriman was duly informed, that the Chinese Government would not consent to the admission of American capital to the South Manchurian Railway system, desiring themselves, in due course, to join the Japanese in working it! T'ang Shao-yi, who was chiefly concerned with the detail work of the negotiations on the Chinese side, stated at Washington, in 1908, that the Japanese representative had never explained Mr. Harriman's proposals, and that the Chinese Government had certainly never declined them; but the whole of the proceedings on both sides are so instinct with duplicity and diplomatic sharp practice that it is impossible to form an opinion on the real merits of this particular question. Japan's refusal, in 1909, to submit to the Hague the Antung-Moukden Railway dispute arising out of this agreement, is only one of many significant features of a situation thoroughly characteristic of modern statecraft. In the light of subsequent events, however, we are justified in concluding that Count Komura, fully appreciating the actual strength of his country's position and the probable tendency of world politics in the future, thought it advisable to keep Manchuria free from American "entanglements" and the prospect of joint control. As events proved, Japan had no difficulty in raising in England the capital required for the restoration of the South Manchurian Railway; and with characteristic *savoir faire*,

she spent a considerable part of this loan in purchasing railway equipment in the United States. No more was heard, for the time being, of Mr. Harriman's scheme, but the idea was germinating, nevertheless, at the State Department, and was to bear its fruit in due season.[1]

In the summer of 1906 Russian officials connected with the Chinese Eastern (Siberian) Railway approached American capitalists with a proposal to sell that line, and negotiations of a desultory kind proceeded at intervals until the autumn of 1909, when Mr. Secretary Knox's "neutralisation scheme" completely changed the situation and precipitated the Russo-Japanese *entente*.

In the meanwhile, the Chinese Government, represented by T'ang Shao-yi, realising the significance of Japan's disinterested friendship, was endeavouring by all possible means to enlist the active sympathy and support of the United States and Great Britain in Manchuria, by offering opportunities for railway construction to American and English capitalists and contractors. In August, 1907, T'ang Shao-yi, having been appointed Governor of Feng Tien, a project was arranged between him and Mr. W. D. Straight, United States Consul-General at Moukden, for the creation of a Manchurian Bank, financed by American capital, to be the financial agent of the Manchurian Government, and to undertake the construction (in co-operation with Messrs. Pauling and Co., the British railway contractors) of a line from Hsin-min-tun to Aigun, and other important enterprises "for the development of the commerce and industry of Manchuria," which by the Portsmouth Treaty, Russia and Japan had agreed not to obstruct.

Owing to the financial panic prevailing at that time in the United States the project was delayed, but in the

[1] Baron Goto, at that time Minister of Communications in Tokyo, discussing the "neutralisation scheme" three years later, stated that Mr. Harriman's proposals had been frequently laid before him, but that he had consistently held the opinion that Japan was well able to finance the South Manchurian Railway without inviting joint control.

summer of 1908 Mr. Straight took with him to Washington a Memorandum, signed by the Governor of Moukden, which was to form the basis of negotiations for a loan of £20,000,000 for the establishment of the Manchurian Bank. In the meanwhile, subject to financial arrangements, the Manchurian Government had concluded an agreement with Lord ffrench, representing Messrs. Pauling and Co., for the construction of a railway running southwards from Tsitsihar to connect with the Imperial Railways of North China. The Manchurian Bank was to undertake, with American capital, the extension of this line from Tsitsihar to Aigun.

For the satisfactory completion of projects of such magnitude it was necessary that a competent and responsible representative of China should discuss the details in person at Washington and New York. T'ang Shao-yi was therefore appointed on a special Mission to America, and left Peking on the 24th of September. To prevent this mission from being regarded with suspicion by other Powers, an Imperial Decree had announced that "T'ang Shao-yi has been ordered carefully to examine into the systems of financial administration employed by other countries and to report to the Throne thereon, with a view to the selection of a scheme for adoption." At the same time, it was given out that the specific purpose of his visit to Washington was to return the thanks of the Chinese Government for America's generosity in refunding portions of the Boxer indemnity. *En route* to the United States he was to visit Tokyo, to discuss with Count Komura and Mr. Ijuin (Japanese Minister at Peking) various Manchurian questions, and notably that of the Fakumen Railway, an Anglo-Chinese undertaking which the Japanese Government had vetoed earlier in the year.

T'ang Shao-yi left Peking, saluted on his departure by a guard of honour from the American Legation. To emphasise the cordiality of existing relations, and with a lively sense of benefits to come, the Chinese Government

H.I.H. Prince Tsai-Fu, son of the Prince Tsai-Chen
(Special Ambassador, with T'ang-Shao-yi, to America in 1908).

proceeded to organise a magnificent reception for the American fleet, which was due to arrive at Amoy in October.

AMERICA AND JAPAN.

At the beginning of November, Mr. Harriman's bankers, Messrs. Kuhn, Loeb and Co., had signified to the State Department their readiness to undertake to finance the Manchurian Bank, if satisfactory terms could be arranged. T'ang Shao-yi reached Washington on the 30th of November. On the same day, the American Government exchanged with Mr. Takahira, the Japanese Ambassador at Washington, its Notes embodying an understanding in regard to the two countries' respective and mutual interests in the Pacific. The Japanese Ambassador had pressed the State Department to complete this exchange of Notes before the arrival of the Chinese envoy, but the State Department considered it advisable to defer signature until T'ang Shao-yi had had an opportunity of seeing the documents and expressing his opinion in the matter. Some days before, the American Minister at Peking had communicated the text of the Note to the Waiwupu expressing the hope that China would recognise therein "the logical outcome of America's traditional and frequently enunciated policy of friendliness to China, and her desire to see the maintenance of its territorial and administrative integrity." The Waiwupu, as usual, was greatly pleased.

The Note was less remarkable for what it expressed than for what it left unsaid. It recorded the desire of both Governments "to encourage the free and peaceful development of their commerce on the Pacific Ocean," their firm determination "to support, by all pacific means at their disposal, the independence and integrity of China and the principle of equal opportunity," and their intention "to maintain the existing *status quo* in the region above mentioned." As nobody was in a position, or prepared, to define

the existing *status quo*, the document practically amounted to an exposition of the materials with which the lower regions are supposed to be paved. It merely added one more to the number of assurances solemnly exchanged between the Powers, and believed by none, that China's defenceless state would be respected for the ultimate benefit of humanity. To China, remembering the fate of Korea protected by similar assurances, these continual protestations of innocent intentions were naturally rather disturbing: she looked, therefore, with the more hope to the enlightened self-interest of the commercial Powers—and the outlook was distinctly promising as far as America was concerned.

But destiny had intervened. The Emperor Kuang Hsü had died on the 14th of November, and the great Empress Dowager on the following day. With the accession of the Regent, Yuan Shih-k'ai's power and his policies were doomed, and with them, the mission of T'ang Shao-yi. Tieh-Liang, the corrupt Manchu, Yuan's life-long enemy, was known to be most favourably disposed (*et pour cause*) towards Japan. He was able to persuade the Regent that Yuan's American policy was a blunder, citing the text of the Washington Notes as evidence that the United States Government was more likely to assist Japan than to protect China. T'ang Shao-yi himself was convinced that the Japanese Ambassador had pressed for the signature of these Notes in order to wreck the Manchurian loan scheme. In any case, he felt his position to be so precarious that all virtue of energy departed from him and he sat with folded hands awaiting his recall. It came on the 8th of January, whereupon T'ang retired to China and to private life. The stars in their courses had fought against China's forlorn hope. Before leaving America, however, T'ang outlined proposals for a £60,000,000 loan, to be financed by an international syndicate for purposes of currency reform and to provide the Chinese Government with funds during the transition period which must occur if effect were to be given to the lekin abolition

scheme of the Mackay Treaty. In other words, he recognised that the time had come to abandon patriotic for utilitarian finance, on orthodox mandarin principles.

Early in December negotiations were reopened at New York in regard to the Chinese Eastern Railway, which the Russian Government was willing to sell if Japan would agree to sell the South Manchurian line. T'ang Shao-yi, consulted by the American capitalists, said that China would welcome the scheme. He hoped that an international syndicate might be organised to purchase both railways on behalf of the Chinese Government, thus anticipating the provision for their repurchase contained in the Russo-Chinese Railway agreement of 1896. This was the germ of Mr. Knox's "neutralisation scheme."

RUSSIAN POLICY WAVERING.

In June, 1909, Mr. Harriman, still intent on his round-the-world transportation idea, met Mr. Noetzlin[1] in Paris and, after telling him of the Chinchou-Aigun Railway scheme, advised the organisation of an international syndicate to buy up the "Chinese Eastern" line. Mr. Noetzlin went to St. Petersburg to see the Minister of Finance about these matters, and on his return to Paris in August, informed Mr. Harriman that Mr. Kokovtsoff was very favourably disposed. The Russian Finance Minister was about to make a trip to the Far East, and upon his return to Russia would recommend the sale of the Trans-Manchurian line. Mr. Kokovtsoff kept his word, after the tragic meeting with Prince Ito at Harbin, and advised the sale of the railway, but in the meanwhile, Mr. Harriman had died, and his plans died with him.

Assuming that Prince Ito was prepared to maintain, upon terms, his original approval of Mr. Harriman's schemes, and

[1] Financier and head of the International Wagons-Lits Co.'s organisation.

noting Mr. Kokovtsoff's favourable disposition, it is within the bounds of possibility that, if the Japanese statesman had not met his death at Harbin, the course of history might have taken a turn very different to that which ensued. The Russian Minister of Finance, speaking at Moscow on the eve of his departure for Manchuria, expressed himself very guardedly on the subject of the Chinese Eastern Railway, but his remarks were construed in many quarters to foreshadow important changes. A writer in the St. Petersburg "Svyet" summarised public opinion in these words:

"There are rumours afloat that the Government intends to sell the Manchurian Railway. . . We do not believe the assurances of diplomats who say that all is well and that peace is assured in that region. The journey of the Minister of Finance, M. Kokovtsoff, to the Far East is connected with the fate of the Chinese Eastern Railway. They wish either to sell it or transfer it to China or Japan."

On the 2nd of October the Chinese Government, strongly urged by the American financiers, screwed up its courage to the point of signing a preliminary agreement for the construction of the Chinchou-Aigun Railway. Shortly afterwards a secret Edict, confidentially communicated to the Viceroy at Moukden, confirmed the preliminary agreement, stipulating, however, that the line should form part of a comprehensive scheme for the development of Manchuria. This Edict was too vague to satisfy the Viceroy (Hsi Liang), who thereupon memorialised the Throne, requesting definite ratification of the specific contract and observing that other schemes could be handled as opportunities arose.

MR. KNOX'S "NEUTRALISATION" SCHEME.

Things were at this stage, by no means unpromising for the success of the American plans, when Mr. Secretary Knox in November broached to the British Government his scheme for the neutralisation of the Manchurian Railways. The

moment chosen, and the manner of its presentment, were equally unfortunate. The idea, like that of Sheng Kung-pao's centralisation of finance, was theoretically unassailable ; but its results demonstrated the fact that in diplomacy it is better to face hard facts than to wander on the heights of abstract principles. The British Government, more concerned with the hard fact of the Japanese alliance than with the benevolent purposes for which it was made, expressed its guarded aquiescence in the principles advocated by Mr. Knox, provided that the Powers concerned were favourably disposed. The case of the Fakumen Railway had clearly proved that Downing Street was not prepared to antagonise Japan, either for the extension of British interests in Manchuria or for the protection of China's repeatedly-guaranteed integrity. Mr. Knox, however, with naïve optimism, assumed that the British attitude was equivalent to moral support, and proceeded to submit his scheme simultaneously to the British, French, German, Russian, Japanese and Chinese Governments. Diplomatically speaking, his procedure in this matter was a serious blunder, in that he failed, in the first instance, to consult the Powers chiefly concerned, Russia and Japan. The Notes addressed to all the Powers alike were simply copies of the Note that had been sent to the British Government in November. Its text was not officially known in Tokyo until the first week in January, 1910.

The purport of Mr. Knox's scheme amounted to a proposal that the Powers addressed should authorise the organisation of an international syndicate to buy out the Russian and Japanese Railway interests in Manchuria. In failing to consult Russia and Japan separately, the Secretary of State apparently assumed that the results of the negotiations which had taken place between the Governments of these Powers and Mr. Harriman warranted him in taking their consent for granted. Politically speaking, everything in the situation of the moment pointed to the necessity of securing, at least, the specific approval of the Russian

Government on behalf of Mr. Harriman's schemes before launching the international scheme as a definite proposal. Russia thus committed—and there was every reason to hope for favourable results in this quarter—Japan could hardly decline to acquiesce. In this connection, it may be observed that Mr. Knox was probably ignorant of the nature and results of Mr. Harriman's negotiations in Paris in the summer of 1909.

The scheme, as presented, was a diplomatic *gaffe*, and the blunder was aggravated by the suggestion that, if the Powers were unwilling to join in the general neutralisation scheme, they should at least unite in the financing and construction of the Chinchou-Aigun Railway. (The agreement for this line had not been formally ratified by the Chinese Government). In other words, if Russia and Japan were unwilling to abandon their " special interests " in this region, they and the other Powers were invited to create new interests to compete with those of the existing Railways.

The presentment of this second proposition overlooked the vital fact that, by the terms of the Portsmouth Treaty, China was strictly entitled to use her own discretion in the development of her commerce and industry in Manchuria, which Russia and Japan were pledged not to obstruct. To place the construction of the Chinchou-Aigun line in the same category as the Chinese Eastern Railway and the South Manchurian neutralisation scheme was equivalent to denying the validity of the Portsmouth Treaty and to prejudicing China's sovereign rights throughout Manchuria. It was imperative in China's interests that the two questions should be treated separately. Mr. Rockhill, then American Ambassador at St. Petersburg, thoroughly conversant with the facts of the situation, realised this fundamental fact and, in the absence of precise instructions, presented to the Russian Government only the neutralisation scheme. In Paris, Berlin, and Tokyo, however, both proposals were submitted together. The Russian Government, learning of

the second proposition through its Ambassadors, naturally jumped to the conclusion that the American Government was playing a double game—of which Mr. Knox was constitutionally incapable. Their suspicions thus aroused, the neutralisation scheme was doomed, and the Russo-Japanese entente to divide Manchuria and Mongolia began from this moment to assume definite form and substance. Russia and Japan politely but firmly rejected Mr. Knox's proposals.

The American Government's policy was, as I have said, irreproachable and just: but it erred in assuming, as usual, a restraining virtue in Treaties and Conventions. It aimed at placing Manchuria under an international economic protectorate, pending such time as China should be fit to walk alone: it proposed an experiment, in theory eminently satisfactory and practical, but which in practice necessitates identical aims and harmonious relations between six Powers. It was a policy of righteousness, tempered by enlightened self-interest—but it required the delicate handling of a Metternich to make it effective and to dominate the equally enlightened self-interest of other Powers. Everything depended on separating Russia from Japan: everything was done to irritate Russian sensitiveness and to lay the foundations of the predatory pact which has since dominated the Far Eastern situation. There was a strong force of opinion, led by Mr. Kokovtsoff at St. Petersburg, well-disposed towards the American proposals, and even inclined to consider the possibility of a Chinese alliance. Against them, Mr. Isvolsky at the Foreign Office was doing his best to bring about a Russo-Japanese entente. The foreign politics of Russia are always largely dependent on the personal equation, on individual sympathies and antipathies in high places, on the right word to the right man at the right time, on graceful amenities and social functions. Here was an occasion for delicate handling, not for blacksmith work. Mr. Knox's manner of presenting the neutralisation scheme

played directly into Mr. Isvolsky's hands: upon it he built up a formidable bogey of America's anti-Russian policy in the Far East and used it to persuade his colleagues that the best protection for Russian interests lay in a *rapprochement* with Japan. Many competent observers of the steady development of Japan's economic and strategical position in Manchuria and Northern Korea consider that Mr. Isvolsky's policy must ultimately cost Russia dear; for the moment, however, it was entirely successful, and Mr. Kokovtsoff's opinions were outvoted. The immediate result of the American neutralisation scheme was the Russo-Japanese agreement of the 4th of July, 1910. (The date selected for its signature was no doubt regarded in Tokyo as a delicate compliment to Mr. Knox). The later consequences of the Russo-Japanese entente are discussed elsewhere, in their relation to the general international situation: for the present, we are concerned only with the evolution and results of American policy in China.

THE CHINCHOU-AIGUN RAILWAY

The Russian and Japanese Governments having "turned down" Mr. Knox's proposals, there remained nothing for the Americans to do but to proceed independently in the matter of the Chinchou-Aigun Railway. The preliminary agreement for this line had been signed by the Viceroy Hsi Liang, as above stated, on October 2nd, 1909; it was approved by Imperial Edict on January 21st, 1910, the very day on which the Russian and Japanese Governments formally declined to entertain the neutralisation scheme. Following thereon, negotiations ensued, and were completed in April, 1910, for the final detailed agreement; but as Japan and Russia had, in the meanwhile, formally protested against the scheme at Peking (thus finally demonstrating the futility of the Portsmouth Treaty as a protection for China's sovereign rights), the Viceroy's signature of the agreement

was suspended for the time being. He definitely confirmed its conditions, however, and undertook to memorialise for its ratification so soon as the step should be diplomatically possible. In the hope of expediting matters, Mr. Straight was instructed to proceed to St. Petersburg in June. It was then too late: the anti-American bogey had done its work. The policies that were to follow from the Russo-Japanese entente had been outlined and determined in principle, and the Chinchou-Aigun Railway scheme was denounced as a deep-laid plan for attacking Russian territories in Eastern Siberia and Russia's "special interests" in Mongolia and Manchuria. The pledge given in the Portsmouth Treaty by Russia and Japan alike, not to exploit their existing Railways for strategic purposes, was deliberately repudiated, and an intimation was plainly conveyed to the Waiwupu that the joint protests against the Chinchou-Aigun scheme were based on considerations of political and strategical expediency. There were no Treaty rights to support these protests—those rights were all on the other side. British policy at this juncture might have served the purposes of the "open door" and international morality; but Downing Street's loyalty to the Anglo-Japanese alliance, wherein lay clearly the line of least resistance, took the form of a general acquiescence in Japan's proceedings, even though these were obviously detrimental to the fundamental objects for which the Alliance was made. As it was under Lord Lansdowne in 1902, so it was under Sir Edward Grey in 1910. The British Government did not wish to examine the provisions of the Anglo-Japanese agreement "too microscopically," preferring to believe, against a mass of evidence to the contrary, that its terms would be loyally and considerately interpreted. It is true that in the case of the Fakumen Railway, His Majesty's Government had gone so far as to address friendly representations to Tokyo, but they were foredoomed, by their very nature, to futility.

China's sovereign rights and the principle of equal oppor-

tunity were unmistakably threatened by the Russo-Japanese *rapprochement*, but China could find no Power to support her in the legitimate exercise of those rights. The Viceroy of Manchuria endeavoured repeatedly to obtain assurances that the American Government would afford material assistance, if necessary, in the matter of the Chinchou-Aigun Railway; given these assurances, the Chinese Government was prepared to proceed with its construction. But the United States were evidently not in a position to support China, single-handed, to the logical conclusions of such an engagement. Mr. Knox's well-meant scheme had come up against the stone wall of hard facts. Benevolent theories, in Peking as in Panamá, are powerless against the forces of geographical gravitation.

THE YANGTSZE RAILWAYS LOANS

In the meanwhile, American diplomacy had been active in other directions and effective in securing admission, at the eleventh hour, to participate in the financing and construction of the Yangtsze Railways. In June, 1909, after the Germans (with the help of Chang Chih-tung and cosmopolitan finance) had successfully out-manœuvred the British and French Legations and established their right of entry to a railway region in which, for value received, they had formerly abandoned all claims, the American representative at Peking insisted on the recognition of America's rights in the matter of the Szechuan Railway. These rights were originally created and included, upon China's own initiative, in an agreement made by Sir Ernest Satow with the Chinese Government in October, 1903. They had long been dormant and possibly overlooked at Washington; they were now to be forcibly revived. On the 18th of May, a despatch was addressed, under instructions, by the American Legation to Prince Ching, reminding China of her obligations in this matter, and protesting against the conclusion of the prelimi-

nary loan agreement signed with the Deutsch-Asiatische Bank on the 8th of March, with which the British and French 'official' financiers had since associated themselves.

By the terms of the agreement of October, 1903, China had bound herself to apply to Great Britain and the United States for any foreign capital she might require for the construction of a railway from Hankow to the province of Szechuan. The contract now signed with the Germans constituted a violation of this agreement. The Chinese Government were, as usual, uninformed as to their own obligations and undecided as to their policy; as usual, they allowed matters to drift, hoping that the foreigners would quarrel amongst themselves. The Anglo-French-German financiers were naturally reluctant to admit a fourth party to this important business; but as matters had reached a deadlock, they offered to share the Szechuan Railway with the Americans in four equal parts. This the Americans very naturally refused, and the question seemed likely to drag on indefinitely. On the 18th of July, the Russian Legation, holding itself no longer bound by the Scott-Mouravieff Convention of 1899, notified the Waiwupu of its desire to participate in the Hankow-Canton and Hankow-Szechuan Railways. Japan had already advanced similar claims by virtue of private arrangements made with Chang Chih-tung in 1905. The position was therefore complicated and, in the light of current events in Manchuria, instructive.

At this point, American policy, conducted with energy and sound judgment by its representative at Peking,[1] took up a line based on the strict rights of the case. On the 21st of July, President Taft addressed a telegram to the Regent direct, emphasising in plain language America's claims. The effect was immediate. Prince Ch'ing, President of the Waiwupu, then summoned a meeting of that body and treated the question with the seriousness it deserved; he even roused himself so far as to discuss matters in person, for the

[1] Mr. H. P. Fletcher, Chargé d'Affaires.

first time in three years, with the British Minister. America's decided attitude resulted eventually in the admission of the American financiers to the Yangtsze Valley (or Hukuang) Railways on terms of equality with the British, French and German groups, and thus establishing the "Four Nations" syndicate. A definite understanding as to the details of participation was reached in May, 1910, and the final agreement with the Chinese Government was signed a year later. Herein, at least, the principle of equal opportunity had been successfully vindicated.

CHINA'S MANCHURIAN DEVELOPMENT SCHEMES.

The Chinese, impressed with the United States' vigorous diplomacy, requested the American financiers to undertake the £10,000,000 loan, originally mooted by T'ang Shao-yi in 1908, for purposes of Manchurian development and for currency reforms: in return for which they were prepared to appoint an American financial adviser. This occurred in September, 1910. In May, after the settlement of the Hukuang imbroglio, the British, French and German Banks had suggested to the American group the conclusion of a general working agreement. The proposal was at first declined; but as the effects of Mr. Knox's neutralisation scheme revealed themselves in an unmistakable diminution of American influence at Peking and Moukden, the New York financiers came to the politic conclusion that such an arrangement might be advantageous, not only in strengthening the American position in Manchuria against Russian and Japanese aggressive measures, but in limiting the chances of financial competition. Mr. Straight, representing the American bankers, therefore sought the consent of the Chinese Government to participation by the "Tripartite" financiers in the flotation of the loan then under discussion. This the Chinese agreed to, subject only to the condition that the agreement must be negotiated and signed by

Photo, Camera Craft Co.

PEKING.

A STREET AFTER THE MUTINY OF 29TH FEBRUARY, 1912.

the American group alone. A preliminary loan contract was accordingly signed on the 27th of October, 1910. Subsequently, owing to serious difficulties having arisen out of the proposed appointment of an American financial adviser, the "Tripartite" Banks refused to become parties to this loan except with equal rights of signature and subsequent status. The Chinese, realising that all questions of effective supervision would surely be dropped as the result of the international jealousies created by the proposed advisorship, allowed matters to drift for some months. At the end of that time, the American Bankers, weary of well-doing, agreed to the appointment of a neutral adviser (a Dutchman was nominated for the post), and the Chinese Government agreed to joint signature of the loan agreement by all the members of the "Four Nations" group, now definitely organised on an international basis for the handling of Chinese loans in general and with the special object of financing the Chinese Government's Manchurian development schemes. The final loan agreement, drawn under these conditions, was signed on the 15th of April, 1911.

By Clause XVI of this agreement it was stipulated that, "should the Chinese Government decide to invite foreign capitalists to participate with Chinese interests in Manchurian business contemplated under this loan, or to be undertaken in connection therewith, the contracting Banks shall first be invited so to participate."

Against the provisions of this article, Russia and Japan promptly protested, on the grounds that it constituted a monopoly of financial business. The later history of this question comes rather under the chapter of international finance than of American policy. Suffice it, for the moment, to say that, as the result of the diplomatic representation of Japan in London and of Russia in Paris, in connection with the large "re-organisation" loan these Powers were eventually able to secure their own admission

into the financial combination, which accordingly became the "Six-Power" group. Neither of them had capital to lend, it is true; but both had "special interests" to protect —interests which every day's experience was proving to be opposed to those of their "faithful allies" and to their own solemnly recorded pledges.

It is a far cry from the foreign policy of Jefferson and Monroe to that of the America of the "Pacific Era." The appearance of the United States as a world Power on the crowded stage of the Far East has been characterised by vigorous initiative and sound political instincts, hampered by lack of *savoir-faire* and an almost crude naivety of diplomatic procedure at the State Department. The policy which refused to shut its eyes in order not to see, which concentrated its energies on the vital problem of Manchuria, was essentially sound; if it lacked in perspicacity, the error lay in exaggerating Young China's intentions and powers of genuine reform. In this respect, American statesmen have erred in good company; and they are not alone in facing the necessity of revising their policy upon recognition of China's inherent helplessness and political inefficiency.

Between 1905 and the fatal *faux pas* of the neutralisation scheme, the policy outlined in Mr. Harriman's railway schemes and supported by Yuan Shih-k'ai, was frequently within measurable distance of securing the co-operation of Russia, and with it at least a temporary solution of the Manchurian problem. Had Prince Ito not been assassinated, had Mr. Harriman lived to complete his successful negotiations with St. Petersburg, had the Empress Dowager not died at a critical moment, T'ang Shao-yi's mission might well have produced results that would have maintained China's sovereignty under conditions favourable to the economic development of Manchuria and the "open door." The stars in their courses fought against China during those short years of grace, and to-day the chaos of the Revolution

has served to hasten the inevitable *dénouement* of her dismemberment in the North. To America, nevertheless, must be given credit for appreciating the essential facts of the situation, and for courage to face them. Washington realised that, for all purposes of protecting the interests of the commercial Powers, the Anglo-Japanese alliance became a negligible quantity upon the signing of the Peking agreement between China and Japan in December, 1905. Thereafter, as the incurable nature of China's weakness became evident, practical politics centred naturally in the danger-point of Japan's Manchurian policy, just as they centred in the Russian forward movement at the time when the Anglo-Japanese alliance was hastily concluded.

THE EFFECT OF THE RUSSO-JAPANESE ENTENTE.

Confronted to-day by the solid and unsurmountable fact of the Russo-Japanese *entente* and the definite assertion by these Powers of "special interests" which amount to a thinly-veiled assumption of sovereign rights in Manchuria, Mongolia, and "Western China"; confronted, too, by the turmoil of the Revolution and portents of increasing unrest in the Central and Southern provinces, American policy, like that of other interested nations, has fallen back, perforce, on the platitudinous utterances of conventional diplomacy. The following Note, handed by Mr. Knox to the German Ambassador at Washington on the 3rd of February last, fairly summarises the recent attitude of the State Department:

YOUR EXCELLENCY,

In reply to your Note of the 31st ultimo requesting information as to the attitude of the Government of the United States with regard to conditions in China, I have the honour to state that since the beginning of the present disturbances this Government has from time to time, as occasion arose, exchanged views with the other interested

Powers, particularly France, Great Britain, Italy, Japan and Russia, as well as the Imperial German Government—as to what course was expedient for the protection of the common interests. From these exchanges it has been quite clear that all the Powers concerned were at one as to the wisdom of maintaining the policy of concerted action in the circumstances.

This unanimity of view found concrete expression in the identic Note presented by the representatives of France, Great Britain, Germany, Japan, Russia and the United States simultaneously to the peace commissioners at Shanghai on December 20, as well as in the co-operative measures taken for the protection of their common interests throughout China.

The advices received by this Government, moreover, show that the other governments concerned have likewise had similar exchanges of view and that official statements of policy to the same effect have appeared in the public press of various countries.

It is, therefore, evident to this Government that all the Powers have up to the present, by common consent, not only refrained from independent action and from intervening in China's internal affairs, but have acted in full accord with their mutual assurances that they would respect its integrity and sovereignty. There happily has thus far been no reason for interference on the part of the Foreign Powers, inasmuch as both Imperialists and Republicans have guaranteed the life and property of the foreign population, and the latest reports tend to strengthen the belief that it is improbable that future developments will necessitate such interference. If, however, contrary to all expectations, any further steps should prove necessary, this Government is firm in the conviction that the policy of concerted action after full consultation by the powers should and would be maintained in order to exclude from the beginning all possible misunderstandings.

Moreover, this Government has felt it to be a corollary of the policy of strict neutrality hitherto pursued by common accord with respect to loans to China, to look with disfavour upon loans by its nationals unless assured that

such loans would be of neutral effect as between the contending factions, as it has also felt that the present was an occasion where there might be invoked with peculiar appropriateness the principle of the lending governments deterring their nationals from making loans not approved as to their broad policy by their own governments in consultation with other interested Powers.

Accept, Excellency, the renewed assurances of my highest consideration.

(Signed) P. C. Knox.

His Excellency Count J. H. von Bernstorff,
Imperial German Ambassabor.

Summarising the situation undiplomatically, the results of America's policy in China since 1905 justify certain fairly definite conclusions. *Imprimis*, the frank declarations of American statesmen in regard to the inevitability of American ascendancy in the Pacific; the strategical importance of the Panamá Canal in the fulfilment of that aim, and the latest extension of the Monroe doctrine, taken in connection with the activity of American political finance in Manchuria, have inspired the belief in Russia and Japan that the policy of the United States Government is directly opposed to their "special interests" in the regions beyond the Great Wall. From the point of view now adopted at Tokyo and St. Petersburg, the scheme to neutralise the Manchurian railroads was evolved for the express purpose of circumscribing those "special interests." The fact that both Powers have solemnly pledged themselves not to interfere with China's independent exercise of her right to develop Manchuria no longer counts for anything; America's insistence thereon amounts, in the eyes of the Tokyo and St. Petersburg Press, to gratuitous interference. It is undeniable that, at certain stages of the game, the State Department's proceedings have played into the hands of Japan by enabling Mr. Isvolsky to point to cumulative evidence of an anti-Russian policy at Washington. The notable indiscre-

tions of Mr. Crane certainly reflected blundering at headquarters: Mr. Shuster's tilting at the windmills of political unrighteousness in Persia pointed to an unpleasant desire to construe Russian assurances *au pied de la lettre*; the Cloud incident in Manchuria and the speeches of Mr. Schiff, all tended, in turn, to strengthen the impression, carefully fostered by Japanese diplomacy and Press work. And at the very last, when American financiers were convinced of the importance of winning Russian goodwill, when, by securing it, the situation might have been saved, Washington's chivalrous but futile efforts to protect the interests of Jews in Russia served definitely to alienate the sympathies of many Russians who had hitherto been well disposed. For the moment, therefore, American policy is at a discount in St. Petersburg.

The intention of Japan's elder statesmen are not to be gauged from the systematic work of her Press Bureaus nor from the calculated utterances of her diplomats, but the fact is patent that, as Baron Kaneko expressed it,[1] "Japan will do her utmost in disputing this command of the Pacific with the United States, and also do her best to control the Far Eastern markets." Surface amenities, moreover, cannot conceal the truth that the Japanese nation as a whole deeply resents the fact that, while attempting to block the way to Japan's expansion in Manchuria and Mongolia, the United States has barred Japanese immigration to North America, and is apparently desirous of excluding it from the South. The Californian-schools incident rankles sorely. Having, by force of achievement, won her way to the front rank of the world's Great Powers, Japan refuses to accept policies which brand her children as Asiatics, inferior to Armenians, Turks and Polish Jews. Thus construing Pan-Americanism and the first fruits of the Pacific Era, it is surely not surprising that a certain number of Japanese statesmen and publicists have begun to advocate a "Monroe

[1] Article in *The Pacific Era* (first number), October, 1907.

doctrine for Asia." Others, again, and these are the more numerous, resent the educational and moral activities of America in China. By virtue of geographical propinquity, by a common literature and close commercial relations, Japan claims (not unnaturally) to be the friend, philosopher, and guide of China in process of regeneration. America, latecomer on the scene of Far Eastern politics, is endeavouring to oust her from this position. The "Asahi Shimbun" of Osaka, in May last, thus summarised (and stimulated) Japanese apprehensions on this subject:

"The United States, having no territorial concessions and no geographical facilities, has assumed the political and financial guidance of China. She has offered to furnish the capital for the exploitation of Liaotung—in return for rights. She has organised a loan syndicate of English, German, French, and American bankers, and assumed $50,000,000 of the total amount. By bold and skilful diplomacy she has out-manœuvred Japan, Russia, and England, whose rights and interests are predominant, and forced them to take a back seat. In the Revolution, when the Japanese and English diplomatists were so circumspect as to incur the annoyance of the Chinese, the United States, by clever diplomacy, kept on the best of terms with the North and the South. When the Emperor abdicated, the United States was sympathetic. Then when the Republic was declared, it was America who came forward with the proposal that the Powers should help the new Republic to the restoration of order in China. America, to our astonishment, has succeeded in convincing China that it is she who is labouring to help her in her distress.

"Mr. Calhoun, the American Minister, is a lawyer, and has no other record behind him. He is rapidly making one as a diplomatist. The United States has vastly improved her position in China, and under the Republic will succeed even more, and it is probable that she will become China's guide. The new Cabinet is pro-American. Yuan once tried to form an American Alliance, and it was to Tang he entrusted the work. The Ministers of State are equally pro-American.

Hsiung Hsi-ling, the Minister of Finance, encouraged American financiers to provide the funds for the development of Manchuria, so as to checkmate the aggression of Russia and Japan. He will turn to America again now. The new officials are mostly of American education. The forceful American representative, Mr. Calhoun, is strongly backed by the American pressmen in Peking. The American missionary is ever conveniently near, urging the Chinese on. The word Republic is a charm at the present moment, and its constant use makes the Chinese believe that the Americans are their only true friends. They forget how their countrymen are despised, insulted, humiliated, and persecuted in America. They humbly follow their guides. Japan is only separated from China by a narrow strip of water. Our interests are predominant there. Why don't the Japanese people do something to arouse the officials from their slumber to a realisation of the position?"

Taking a broad view of the future of world politics in the Far East, it would seem that America may yet have cause to recognise that the movement of Japanese expansion in Manchuria and Mongolia is preferable to its activities in Chile, Peru, and Brazil. This emigration movement is in itself as inevitable, as an imperative necessity of vigorous nationalism, as the expansionist tendencies of the United States. For Canada and for Australia, as well as for America, the economic pressure of Japan [1] involves problems of far-reaching importance, seriously affecting Imperial policies and the balance of power. A highly-organised military nation, collectively amongst the most efficient on earth, demands more elbow room and new markets; thus considered, the present course of Japanese policy clearly reflects the elementary truths of biological science. The Japanese are not a passive type of race, prepared to solve the problem of food-supply by fatalist acceptance of famines, infanticide and scourges of disease: they prefer, and are able,

[1] The annual surplus of births over deaths in Japan is about 725,000.

to expand at the expense of their weaker neighbours. If once we admit the inherent political and military inefficiency of China, the fate of Manchuria and Mongolia is sealed: these fertile and thinly populated lands lie open to invasion by the surplus population of Japan. From the American point of view the potential trade of China is undoubtedly worth defending by every possible device of diplomacy; but the crux of the situation lies in the fact that Russia and Japan are both well aware that it is not worth the sacrifices of a war. Japan has displayed conciliatory wisdom and good-will towards America and Canada by restricting the number of her emigrants to those countries; but she will not —indeed she cannot—consent to be excluded from those regions to gain which (*pace* her own statements to the contrary) she resisted Russia's advance. If China's "rights recovery" programme is, as we believe, a vain dream, then treaties and conventions notwithstanding, Japan will extend her Empire westwards on the Asiatic continent at China's expense. As it was with Korea, so it must be with any desirable territories to the north and west of the Great Wall, which China cannot defend by force of arms. These facts once recognised, and the advantages admitted of diverting Japanese expansion westwards, all the assurances and shibboleths now current in regard to the maintenance of China's integrity will be decently and quietly folded away, as they were in Korea—exchanged for practical bargainings as to the maintenance of existing tariffs, and a door left temporarily open to international trade. For, with America as with Japan and every other Power of the modern world, the gospel of necessity is greater, in the end, than any international obligations.

CHAPTER XII

THE RUSSO-JAPANESE ENTENTE

Careful examination of all the available facts of the situation, as it existed prior to Prince Ito's fateful mission to Harbin, would appear to justify the belief that at that date, had American political finance been able to enlist the definite support of M. Kokovtsoff's party (then favourably disposed), Japan might have been obliged to recognise the necessity for conforming to the main principles laid down in the Portsmouth Treaty. Prior to the announcement of the ill-fated "neutralisation scheme" launched by Mr. Secretary Knox, there undoubtedly existed at St. Petersburg a powerful body of opinion, originally led by M. Stolypin, which believed in the reality of China's military re-organisation and of the Yellow Peril, so much so, that the question of a Russo-Chinese alliance was seriously mooted in high places. Mr. Knox's policy, intended to protect the integrity of China's territories, brought Russia and Japan together in a common cause as nothing else could have done, and definitely inaugurated the era of partition.

As matters stand to-day, since Prince Katsura's mission to St. Petersburg, Russia appears to be definitely committed to a further period of military and political adventures in the Far East. The prudent scruples which M. Sazonoff expressed to the Duma last April, in regard to the recrudescence of the "forward" policy in Mongolia, have yielded to the restless ambitions of bureaucrats on the one hand and to

In a Burned and Looted Village, North Kiangsu.

pressure of the nationalist party on the other. It is interesting to-day to recall the Foreign Minister's utterances on that occasion :

"We should not forget, gentlemen, that Russia is a European Power ; that our State fabric was put together, not on the banks of the Black Irtysh, but on those of the Dnieper and the Moskva. The expansion of Russia's possessions in Asia cannot constitute the aim of our policy, for that would lead to an undesirable shifting of the centre of gravity in the Empire, and consequently to the weakening of our position in Europe and the Near East. Therefore, no acquisition of ours in Asia could be justified on any ground other than the genuine value of the territory and our absolute need of it. It is not permissible to annex conterminous lands solely because the State can do it without great risks to itself."

Herein may be traced, no doubt, lingering echoes of that wave of acute pessimism, that fierce paroxysm of disillusion which in 1906–7 permeated Russian public opinion and made fearful nightmares of all the glorious dreams of a Far Eastern Empire. The nervous prostration which followed the war, and the internal disorders of the country, had imbued not only the military element, but politicians and publicists, with a violent distaste for further adventures. For the time being, Russia's predestined *rôle* as arbiter of Eastern Asia was as if it had never been. This violent reaction may be ascribed partly to the structural character of the Slav race, with whom the pendulum swings rapidly between enthusiasm and depression, but even more to the fact that the movement eastwards had always been a movement of romantic adventure rather than of national necessity ; there was no inexorable pressure behind it, no soul of a people, as there is in the case of Japan's expansion ; and the collapse of the nation's self-confidence and the retrograde movement that followed 1905 assumed for a time all the appearance of a panic. The vivid imagination of

Russian writers, and especially those of the Siberian and Manchurian Press, saw on all sides proofs of the Yellow Peril, imminent and increasing. It was no longer a question of encroachment upon Chinese territory: the defence of Eastern Siberia itself seemed a forlorn hope. The notes of warning that sounded continually from the East all foretold an offensive alliance between China and Japan; Young China's militant attitude, its programmes of administrative and economic reform, seriously accepted as practical politics, inspired a timid and conciliatory attitude which was unmistakably reflected in the proceedings of the Russian authorities in Manchuria and of the Legation at Peking. The spirit which animated the Russian side of the negotiations for the agreement concluded with China on the 10th of May, 1909, was indeed so conciliatory that the Chinese at first suspected therein some deep-laid and sinister designs. The high-handed methods of the autocratic Russian Railway Company were replaced by a sweet reasonableness which the Peking Government were quite unable to understand, but of which they soon proceeded to take every advantage. No sooner had they realised that Russia was prepared to allow the exercise of their sovereign rights in the Manchurian Railway settlements, than they proceeded to encourage American and German ambitions, sedulously fomenting differences at Harbin, Khailar, and other places, by which means they hoped to obtain full administrative control of the municipalities. At this period there existed an influential party at St. Petersburg which would have been only too glad to sell the Manchurian Railways to America. Even in 1909, when public opinion, after its first panic, had looked back and seen no signs of the Yellow Peril pursuing, the general staff of the Ministry of War opposed the Chinese Government's Tsitsihar-Aigun Railway scheme, on the ground that it would expose Russia's position and the Siberian Railway to attacks by the Chinese. In Mongolia, particularly, the rising tide of Chinese settlers—a purely

economic phenomenon—was fantastically construed by many as a formidable armed host menacing the flanks of Trans-Baikalia.

REVIVAL OF RUSSIA'S EXPANSIONIST POLICY

But the pendulum had begun to swing once more in the direction of "Russia's imperative destinies"; once more the journalists of St. Petersburg began to write of the "national goal" in the Far East and Russia's predestined path to the open waters of the Pacific. To a certain extent the change reflected the reaction which had taken place amongst the Russian communities east of Irkutsk and the passing of the nervous condition induced by the Japanese war. It certainly reflected an unmistakable modification of public opinion as regards the imminence of any Yellow Peril on the Chinese frontiers. At the beginning of 1909, while General Horvat and M. Korostovetz at Peking were negotiating in a spirit of conciliation the new Manchurian Agreement, the Russian community at Harbin addressed a petition to the Government at St. Petersburg in which no trace of nervousness was to be found; on the contrary, it showed signs of intelligent appreciation of the defenceless condition of China and the opportunities thereby created. The petitioners were much disturbed at the Russian Government's policy of graceful concessions; China's resources of self-defence, they said, were few and diminishing; Manchuria, as a part of the Chinese Empire, was doomed. This interesting document concluded by frankly advocating a policy of joint action with Japan for a division of the spoils. "It will be far more profitable," said the Russian colony of Manchuria, "for Russia to join forces with Japan against China, than to support China against Japan. The only factor which determines the course of international politics is the factor of material force. At the

present moment, force is all on the side of Japan, and it will therefore be a serious mistake if, instead of casting in our lot with the strong, we strive to make friends with the weak. As it is, the Chinese despise us for the feebleness implied by our vacillating and conciliatory policy."

It is not to be denied that, ever since the splendid adventures of Khabaroff on the Amur in the seventeenth century, and the exploits of Muravieff Amursky in the nineteenth, the dream of a Far Eastern Empire has permanently possessed the imagination of the Russian bureaucracy and of many Slav "Intellectuals." But the foreign policy and the economic system by which it has been sought to carry this dream to fulfilment have always been largely based on personal equations and sudden impulses rather than on any deliberate national movement. There is, indeed, in Russia's foreign policy a Peter Pan quality of mercurial audacity, a keen zest for magnificent and unprovisioned excursions into the furthest Never-never Lands, a splendid contempt for logic and the results of experience, together with a Nelsonic eye for the dim outline of Nemesis in the distance. It is a policy which has ever been liable to sudden enthusiasms and equally sudden reactions of discouragement, frequently representing, even to the furthest frontiers of the Empire, nothing more than the whim of a Court favourite, the greed of a Bezobrazoff or the fatuous complacency of an Alexieff. Spasmodic, sentimental and unstable—yet reflecting also the indomitable courage and splendid virility of the Slav race.

After the conclusion of the Russo-Japanese Agreement of the 4th of July, 1910, which was (as I have shown) the immediate result of the American State Department's well-meant efforts to secure fulfilment of the Portsmouth Treaty, the idea of a business-like arrangement with Japan, as a foundation for a new Far Eastern policy, found favour with those who had previously scouted the possibly of such a *rapprochement*. It is not possible to say exactly at what date

the Tzar's Council of Ministers was led to take heart of grace and definitely to embark upon its new policy of expansion, but internal evidence points to the spring of 1910. In the Convention of the 4th of July the resonant platitudes of the Agreement of 1907 were replaced by an unmistakably significant reference to the maintenance of the *status quo* in Manchuria, and its defence against all aggressors. The *status quo* referred to by the contracting parties, and evidently threatened by Mr. Knox's "neutralisation scheme," constituted, in fact, a violation of the terms of the Anglo-Japanese Alliance, since it clearly involved a denial of China's sovereign rights as regards the development of the Eastern provinces. But the virtue of the alliance in Japanese eyes had begun rapidly to diminish, and the movement was accelerated when it became known that England proposed to exclude from its scope the possibility of hostilities between Great Britain and the United States. The fact that Mr. Knox rushed in where British diplomatists had feared to tread merely precipitated an arrangement, so obviously profitable to Russia and Japan, that it could not have been long delayed. Whilst the eagles fought for their prey, the carcase remained undevoured: Japan's right to a share having been proved by the arbitrament of war, it was clearly to her interest to make terms for an amicable division of the spoils before the capitalists of the Western world could establish those vested interests which China was inviting them to create.

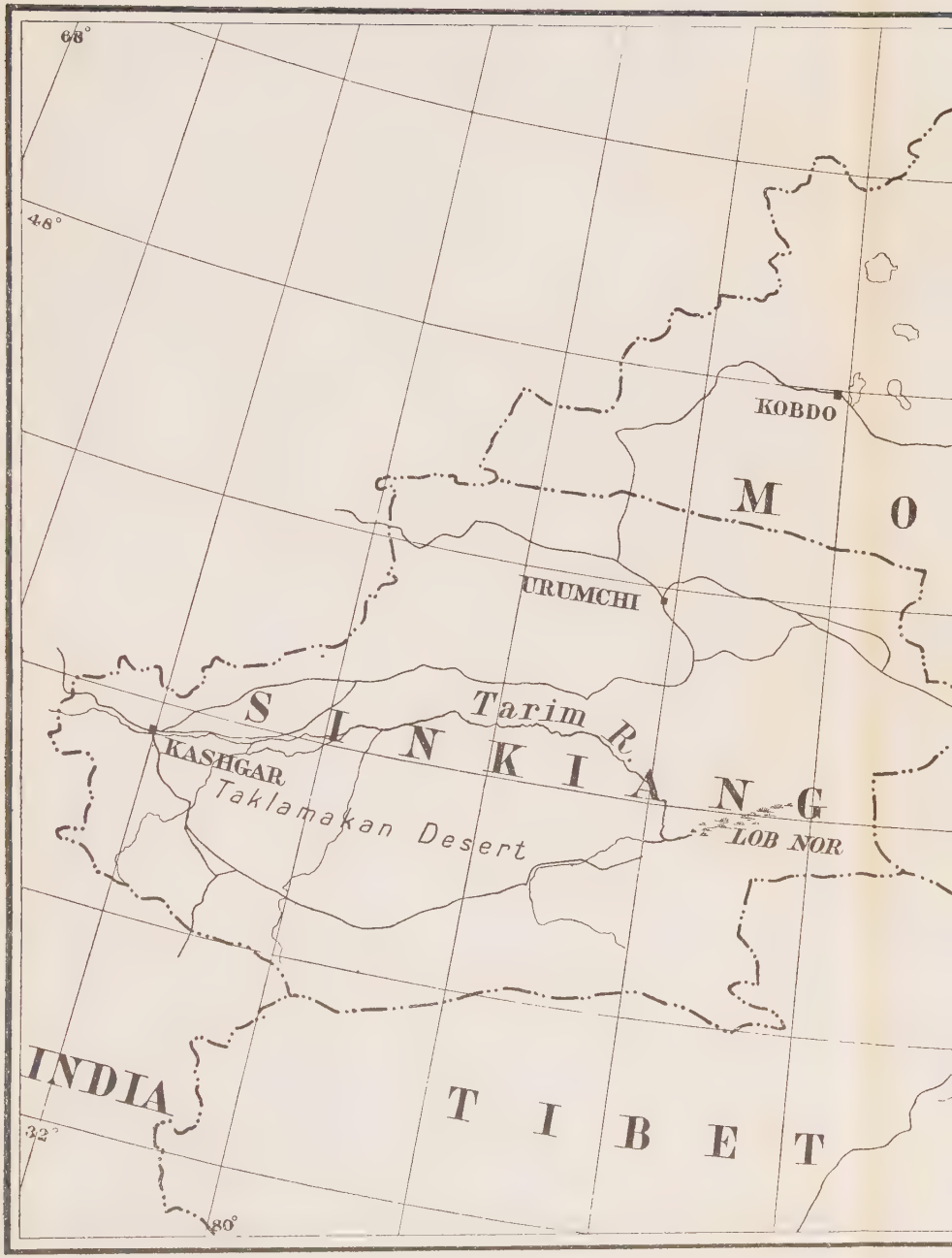
THE ADVANCE UPON MONGOLIA

The Agreement of July, 1910, having been concluded, the new confederates lost no time in profiting by their pact. Six weeks after its signature, Japan proceeded to complete her formal "amalgamation" of Korea. It was simultaneously announced by the *Temps*, on information which had no doubt leaked from the Quai d'Orsai, that in one of those

"supplementary clauses" which often contain the vital matter of her Treaties, Japan had guaranteed to Russia a free hand in Mongolia in compensation for this annexation of Korea. The existence of such a secret agreement was never admitted, but the rumour received confirmation by Russia's immediate proceedings in Mongolia. A special commission was despatched "to inquire into the conditions of Russian trade in that region." The results of this investigation were prompt and unmistakable. On the 16th of February, 1911, the Russian Minister at Peking handed to the Chinese Government a Note, raising six points concerning trade in Mongolia and the New Dominion. On the 14th of March a more peremptory Note followed, and on the 24th an ultimatum, calling upon China to yield the terms demanded by Russia within three days. It was significant of the false ideas then widely prevalent concerning China's military preparations, that on the publication of this news, heavy war insurances were effected at Lloyd's. As *The Times* correspondent at Peking justly observed:

"There was no reason to anticipate anything but an amicable settlement of the dispute, for the Chinese were aware of their relative helplessness and aware that Kuldja, the New Dominion, and Mongolia all lie at the mercy of their powerful neighbours." "The Chinese Government," he added, "was unable to understand the reason for the Russian Press campaign of intimidation, nor could foreigners at Peking reconcile the hostile *communiqués* issuing from St. Petersburg with the pacific assurances given in Peking."

On the 27th of March, China having conceded all Russia's demands in a comprehensive and apologetic reply, the partners to the new *entente* were able to resume their business of "consolidating peace in the Far East," although it was feared at Peking that "Russia was bent on punishing China, whether the pretext was adequate or not." A



Rough Sketch Map showing

600

w Dominion (Sinkiang).

month later, the nature of the *status quo* was more precisely indicated, and coming events foreshadowed, by a Russian and Japanese joint-protest against China's conclusion of the Manchurian Development and Currency loan with the "Four Nations" syndicate of Banks. On June the 11th, in the House of Commons, Sir Edward Grey made the significant announcement that His Majesty's Government recognised "that Russia and Japan had special interests in Mongolia and Manchuria," he being at the time aware of the attitude adopted, and the demands put forward in identical terms, by the Russian and Japanese Governments' financial delegates at conferences held on the 15th of May in London and the 7th and 8th of June in Paris. The preliminaries to the partition of Chinese territory in these regions had now advanced so far that Japan's "*rights* and special interests" were declared to lie "in the regions of South Manchuria and of the Eastern portion of Inner Mongolia adjacent to South Manchuria," while those of Russia lay "in the regions of Northern Manchuria, Mongolia and Western China." The British Government's perception of the unpleasant necessities of the situation had previously been indicated by an intimation to China that she would be well advised to ascertain the views of the Russian and Japanese Governments before finally concluding the Chinchou-Aigun Railway Agreement. Only the United States, as we have seen, continued to hope for some protective value in the Powers' "mutual assurances to respect the integrity and sovereignty of China." The interests of the United States and Germany were clearly identified at more than one stage of the Manchurian loan negotiations; nevertheless, had not Count Bülow placed it on record in March, 1901, that, for the purposes of the Anglo-German Agreement of the 16th of October, 1900, the geographical term "China" could not be held to cover Manchuria? And has it not been authoritatively stated by the Russian Press that M. Sazonoff's present policy has

been fully discussed with M. Poincaré and meets with the concurrence of the French Government? From the same source comes the information that, at the Port Baltic interview in July between the Emperors of Russia and Germany, the *entente* with Japan was amicably discussed and approved. And may we not therefore conclude that the Portsmouth Treaty and the Anglo-Japanese Alliance, the Franco-Japanese Convention of 1907, and all the other instruments which guarantee China from aggression and partition, must now receive a new interpretation, based on the logic of events? Prince Katsura's visit to St. Petersburg, says Reuter (July 18th) in an "authoritative" statement from Tokyo, was "not connected with any specific political development," but it is admitted that "very important *communiqués* have passed between the Russian and Japanese Governments, supplementary to the Agreements of 1907 and 1910. These *communiqués, necessitated by the Revolution in China and the subsequent loan negotiations,* have resulted in a very clear understanding between the two Powers on the Chinese question, and have created an *entente* of the greatest importance for the preservation of Peace in the Far East, second only in importance to the Anglo-Japanese Alliance." Surely the most hypocritical feature of modern diplomacy consists in these solemn invocations of Peace to assist at and justify the spoliation of the weak by the strong, and in the unctuous rectitude of the spectators.

Considering, for the present, only Russia's side of the *entente,* we find the objective of her new policy thus frankly stated by the *Novoe Vremya* (April, 1912):—

"Our time-honoured policy," (writes M. Menshikoff) "from the days of the Variags down to the reign of the Emperor Alexander III, was founded on the axiom that Russia needs territorial expansion at the expense of her neighbours."

Photos, Le Munyon, Peking.

RUINS AFTER THE LOOTING, FEBRUARY 29TH, 1912.

And, in another place,

"Russia, in spite of her thousand years of existence, is still on the road towards her natural geographical and political boundaries."

The winter garments of repentance have been flung into the fires of a new spring of Imperial adventure; once more the Slav hears the compelling call of the East,

"Not in Europe," says another leader in M. Suvorin's influential journal, "but in the Far East are those considerable territorial changes possible, and indeed imperative, upon which depends the future of our Empire . . . . Chinese anarchy on the one hand and Russian Imperial problems on the other—this opposition leads us to the inevitable conclusion that it would be criminal to let slip so favourable an opportunity and to fail to profit by the weakness of our neighbour in order to realise our Imperial ideals."

PRINCE KATSURA'S MISSION

Nothing could be more significant of the decline of international honesty in modern politics, and the ultimate futility of Peace Conferences and Arbitration Tribunals, than the manner in which Prince Katsura's mission to St. Petersburg (July, 1912) was discussed by a very considerable section of the European Press. Equally remarkable was the reticence observed on the subject by the foremost statesmen of the great Powers. Frankly to admit that political expediency and economic pressure make this policy of spoliation inevitable would be inconsistent with the traditions of a statecraft which insists on the worship of the shadow when the substance has departed. In June, the "*Osaka Mainichi*" announced, "on the authority of a personage in the confidence of Prince Katsura," that the object of his mission (the mission "unconnected with any specific political development") was

"to unite Japan, Great Britain and Russia in one agreement with regard to their Far Eastern policy. Japan and

England being already combined for that purpose, it remained to bring Russia within the same orbit and thus to create a great political confederation which would exert a controlling influence over the destinies of Eastern Asia."

The following, taken from a leader in the *Pall Mall Gazette*, may be described as fairly representative of British public opinion, making a virtue of necessities, and by no means deeply concerned :—

"There is nothing in the scheme," it observed, "which can be called antagonistic to the alliance already existing between this country and the Island Empire . . . . . it is an excellent illustration alike of the breadth of view and the capacity for looking ahead which characterise Japanese statesmanship at its best . . . . . The day may come when the principle which the Anglo-Japanese Alliance was framed to uphold—namely, the maintenance of the territorial integrity of China—will have to be abandoned. Indeed, not the least of the contributors to this unhappy result may be the Chinese themselves. Even as matters now stand, neither Russia's recent action in Mongolia, nor British action in Tibet, nor Japan's special position in Manchuria, can be regarded as fully consonant with the upholding of that principle."

Yet China was one of the Powers represented at the International Peace Conference at the Hague!

Even more instructive is an account of the "conversations" between Prince Katsura and M. Kokovtsoff given by a Special Correspondent of the *Daily Telegraph*. He begins by paying tribute to the statecraft of M. Isvolsky, "which reversed the policy, favoured by the majority of influential Russians, of making common cause with China, and insisted on coming to an agreement with Japan. That agreement is now seen to be all-sufficient for every practical purpose, and obviates the need of a formal alliance."

From this Special Correspondent's account of an interview between Prince Katsura and Baron Goto on the one

side, and M. Kokovtsoff and M. Sazonoff on the other, I quote the following passages, merely observing that it would be difficult to find the purposes of international bad faith more cynically served, the vital truths of a case more callously ignored.

"Prince Katsura told M. Kokovtsoff that in his opinion Russia and Japan have everything to lose by neglecting to understand one another and everything to gain by cultivating intimacy based on thorough knowledge of each other's political and commercial plans and strivings. 'Had we done this in time,' he added, 'history would have had no sanguinary Manchurian campaign to record.'

"The outlook of the Chinese Republic and the relations between the Central Government of Peking and the border provinces of Manchuria, Outer Mongolia and Tibet were next canvassed . . . . without revealing the slightest divergency of opinion between the Japanese and Russian statesmen. On the matter of lending money to China, so long as she remains in her present pitiable plight, the unanimity was absolute. It was laid down as desirable that no loan should be floated and no advances made without providing for adequate control,[1] which should answer for it that the proceeds are not applied to undertakings calculated to impair the interests of either of China's powerful neighbours. That means, of course, among other things, *that China shall not be permitted to create a formidable army if she recover her balance sufficiently to turn her attention to the national defences.*

"The Japanese statesmen emphatically declare that so long as the two Empires remain of one mind, they hold in their own hands the key to the Far Eastern problem, the changing aspects of which they could and should regulate congruously with their common interests, which happily

[1] It will be observed that, in insisting on "adequate control" of loan expenditure, the Japanese statesman uses the same words as the British Government—but whereas the object of the British Government is to control the expenditure of loan funds for China's interest and for economic purposes, the Russo-Japanese aim is to control it against China's interest and for political purposes.

coincide with the general interests of the world. That is the pivot of the matter.

"The results of these conversations are considered superlatively satisfactory by both sides. The Russian Ministers characterised their Japanese colleagues as masterful statesmen of power, sincerity and vision, who are endowed in fulness with the statesman's first quality of seeing the whole of a question and not merely a part. They have completely attained the object of their visit. The destinies of the Far East will now be taken in hand by the Governments of Japan and Russia, not indeed for the purpose of narrow, egotistic aims, but with a firm resolve to discharge what they regard as their cultural mission in that part of the globe, unhindered by the impulses of amateur outsiders, whose excellent intentions outrun their sense of political fitness."

Exeunt, in fact, the original purposes of the Anglo-Japanese Alliance.

The substitution of a "cultural mission" for the cause of Peace is as significant in its way as the reference to Mr. Knox as an "amateur outsider." But in view of the indifference of public opinion in England to these proceedings (with the iniquity of which England remains morally identified by the terms of the Anglo-Japanese alliance), it is difficult to criticise severely the attitude adopted by certain journalists, and especially by those who, in foreign capitals, necessarily echo the policy of the Embassy or Legation. Still, *il y a des convenances.* To talk sympathetically of China's "pitiable plight" and then to record with complacency the measures taken to ensure its aggravation "in the general interests of the world" is surely indecent. It may be that this cold-blooded and deliberate pact to dismember China at the moment of her latest misfortunes must be accepted as an inevitable consequence of China's inefficiency and her "powerful neighbours'" earth-hunger; but, if so, it is surely superfluous to proclaim the virtues of the despoilers. A non-committal reticence, such as that

adopted by Sir Edward Grey, is surely the only dignified course to adopt.

THE NEW SPHERE OF RUSSIA'S "RIGHTS AND SPECIAL INTERESTS."

It is not possible, within the limits of this work, fully to explain the origins of the "rights and special interests" which Russia is now preparing to assert in "Northern Manchuria and Western China." As regards "Western China," the limitations of the term require to be strictly defined before the political consequences of Russia's present policy can be gauged, but it is noteworthy that the semi-official press of St. Petersburg takes it to mean the North Western territory of the New Dominion (Sin Chiang), extending to the borders of Kashgaria. The vagueness of the term is obviously intentional, and since it may possibly be extended hereafter, in pursuit of a "cultural mission," to include those semi-independent regions of Kansuh which border on North-Eastern Tibet, the matter is one which may come to concern closely the British Empire. All the vast, thinly-populated regions of Western Szechuan and Yünnan, all that No-Man's Land, peopled by independent non-Chinese tribes, which lies between Upper Burmah, Assam, Western China and Tibet, will assuredly create new problems in the near future, involving re-arrangement of frontiers. When, on the 26th of April last, M. Sazonoff discussed in the Duma the Russian Government's policy in the Far East, there was no word of "Western China" in his survey of the regions in which Russian interests were affected; but since then the march of events has been rapid. His remarks on that occasion are still worthy of attention.

"Northern Mongolia, or Khalkha, has seceded from China, and entreated her Slav neighbour to espouse her cause. Some Russians have clamoured for the promulga-

tion of a Protectorate, others have anathematised all forms of activity, whether intervention or mediation; but the Government has chosen the happy medium between these extremes. Mongolia is the common name for several provinces which have little in common. Inner Mongolia gravitates towards the South Manchurian Railway zone, Eastern Mongolia belongs to Manchuria; Northern Mongolia, which is sundered from China by the Gobi Desert, conserves a physiognomy of its own. The inhabitants of this province are nomads governed by princes. The Chinese element is insignificant.

"The secession was brought about by China persistently ignoring the institutions, customs, and needs of the population, and attempting to quarter troops among them, to give them a Chinese Administration and to colonise the country. The Pontiff, or Kutukhtu, headed a successful Separatist movement. But Mongolia is unprepared for independence, lacking as she does leaders, money, and an army. Her separation from China would therefore compel Russia to occupy the country, or else permit the Chinese to re-enter it as conquerors. Anxious to escape from this embarrassing dilemma, the Russian Government agreed to mediate between China and Mongolia on three conditions: China must undertake to cease colonising the country, stationing troops there, and sending Chinese administrators thither.

"I myself fail to perceive grounds forcible enough to compel us to admit that the annexation of Northern Mongolia would be beneficial to us. Our interests require only that in conterminous Mongolia there should be no strong military State. Thanks to the neighbourhood of the Mongolians, our Siberian frontier is better protected than if we built fortresses along it, and stationed formidable garrisons there."

The reasons which led the tribal princes of Northern Mongolia, in the summer of 1911, to seek the protection of Russia against Chinese immigration were not in themselves convincing, and there is evidence to show that their action was greatly influenced by the advice of Russian traders in

Kiakhta and Urga. A Russo-Mongolian trader, writing in the *Priamurye* at the time, significantly observed that most of the influential Mongol princes were tied hand and foot by their obligations to Chinese money-lenders, "Russia's trade opportunities being greatly limited in consequence." These princes objected to the new taxes and administrative reforms which the Chinese authorities were preparing to impose; finally, they complained also that Mongolian women were being freely taken in marriage by Chinese agricultural settlers. Of China's alleged military activities, upon which such stress was laid by St. Petersburg, there is no concrete evidence; the rumours current on this subject doubtless originated, like those of the Szechuan expedition into Tibet, in the Peking Government's "face-saving" instincts—the tactics of the "Paper Dragon." On the other hand, the Chinese Amban at Urga, like his colleague at Lhassa, had undoubtedly been guilty of senseless attempts to interfere with local autonomy, which the easy-going Mongolians have always enjoyed. In attempting to make a prisoner of the Kutukhtu Lama (shortly after the outbreak of the Chinese Revolution on the Yangtsze), he provided the Mongols with a valid excuse for declaring their independence, an excuse which, after the abdication of the Manchus, was reinforced by their ties of kinship and intermarriage with the deposed dynasty.

CONQUEST BY RAILWAY AND BANK.

When, in the spring of 1910, Russia and Japan united to veto the proposed construction of the Chinchou-Aigun Railway, the Russian Government suggested, as an alternative scheme, that the Chinese Government should construct a line, with the help of British contractors, from Kalgan to Urga, the intention being to form a connection thereafter, via Kiakhta, with the Siberian Railway. To this suggestion the Waiwupu vouchsafed no official reply: it was aware

that such a line, running through the Khingan range and the Gobi desert, would be a costly undertaking, commercially unprofitable, and strategically a menace to China's defenceless frontiers. It would shorten the distance between Irkutsk and Peking by almost 800 miles, but this consideration aroused no enthusiasm in the Waiwupu. For Russia, whose Imperial schemes involve vast and unproductive expenditure on strategic undertakings, such as the doubling of the Trans-Siberian and the building of the Amur Railway, a matter of £10,000,000 on the new Mongolian route might not greatly perturb the Ministries of Communications and Finance. It was therefore to be expected that the first manifestations of the "forward policy" inaugurated by the Russo-Japanese Agreement of the 4th of July, 1910, would include provisions for railway construction in Mongolia. At the first opportunity, early in January 1912, after the revolt of the Khalka Mongol Princes, we find the Russian Minister at Peking presenting a Note to the harassed Chinese Government intimating that, for the future, the independence of Northern Mongolia must be recognised, and its internal affairs placed under the control of the Kutukhtu Lama, who had been proclaimed temporal as well as spiritual ruler on December the 29th. Russia, added this Note, would "assist the Mongolians in maintaining order," and would also construct a railway from Kiakhta to Urga. Immediately after Prince Katsura's "conversations," the semi-official Russian organs announced that the construction of this railway would be treated as a matter of urgency, and that the "Provisional Government" of Northern Mongolia would be assisted by a Russian loan.[1] The traditional

[1] At the end of September, 1912, the new Minister of Foreign Affairs (an American-educated Cantonese named Liang Mao-ting) proposed to discover by direct enquiries at St. Petersburg the exact amount of these loans, and to repay them, and at the same time to strengthen the frontier garrisons in Manchuria—but these, again, are face-saving expedients, the wriggling of the Paper Dragon.

methods adopted in the Central-Asian Khanates have, in fact, been applied with unusual rapidity and vigour. For the time being, and for decency's sake, China has been informed that she remains invested with the "sovereign power," but the Note above referred to intimates certain unusual limitations of that term. China, according to the terms of this document, is not permitted to interfere in the domestic administration of Mongolia, nor to call for military contributions or military service from the Mongols; furthermore, she must abandon her schemes for the colonisation[1] of this thinly-peopled, fertile region. The position is perfectly simple: the active self-helping races of Russia and Japan are determined to secure new fields for their emigrants and traders; the passive Chinese race must therefore be driven back within ever-narrowing frontiers.

Politics apart, the importance of the Kiakhta-Urga Railway for the extension of Russian trade with Northern Mongolia, and for the development of its rich gold-mining regions, had attracted the serious attention of the Russian Government for some years past. Under M. Stolypin's direction, the economic aspects of the scheme had been most carefully considered. Russian trade with Mongolia had declined during the past decade, as the result of German and American competition, the cost of transport by sea to Tientsin and thence by the Kalgan route being less than camel freight *viâ* Siberia. To have acquiesced in the development of Manchuria and Mongolia by means of the American-financed Chinese railway system proposed by the Chinese Government

[1] This colonisation scheme, and much of the activity shown in its development since 1908, originated with T'ang Shao-yi, who, as Governor of Moukden, realised that the extension of agriculture by Chinese settlers in this region would not only create the trade to make railway construction profitable, but would provide a sorely-needed outlet for the surplus population of China proper. The only objection to both these laudable intentions lies in the unfortunate fact that races more efficient in the business of man-killing desire possession of these fertile lands. In 1909, Chinese immigrants were coming, on foot, into Northern Mongolia at the rate of about 8,000 a month.

would have effectively killed overland Russian trade in that region. By restricting China's railway development of her Mongolian Dependencies, and by constructing a Russian Kiakhta-Urga line to connect with the Trans-Siberian system at Misovaya, the Mongolian trade is likely to remain, for some time to come, a close preserve for Moscow's manufactures and Siberian traders.

In addition to the Kiakhta-Urga line, the Russian Government has under consideration the construction of railways from Tashkent to Kashgar, and from Bisk to Chuguchak. There is also a scheme to connect the Urga line via Petuné with the Manchurian system at Harbin. All these prospected undertakings are clearly intended to secure the geographical and economic gravitation of Northern Mongolia, and eventually of the New Dominion, into Russia's Siberian Empire of the future. Economically, their foundation of potential benefits must prove as unsound as those of the Trans-Siberian and Manchurian railways, which cost the Russian taxpayer annually between two and three millions sterling. But Russian empire-building was never yet conducted on business principles, as Dalny stands to prove and Vladivostock is beginning to realise.

ECONOMIC ASPECTS OF CHINESE IMMIGRATION.

Looking out into the future, when the Far Eastern problem shall have been solved with the key provided by Prince Katsura's "cultural mission," the unbiassed observer, who studies the problem in the light of history and biological science, perceives the dim outlines of another question, incapable of solution by any of the professed principles of the political world. The Russian dream of a Far Eastern Empire on the Pacific was conceived in the councils of the Tzar, dominated by Bezobrazoff, to rival Great Britain's Empire of India: but neither the materials nor the methods of the builders could ever have produced that result. The British

Rebels for the Front at Hanyang.

dominion of India is the dominion of a governing caste, an aristocracy of administration; the dominion of Russia in Chinese territory involves economic competition between the invaders and the native population. Already in Siberia, and particularly in the region of the Amur, the Russian settler has realised the futility of this competition. In the economic struggle for life, the Slav goes down, helpless and almost unresisting, before the Chinese, and even before the Korean. The Duma has lately recognised this elemental fact in prohibiting the employment of Chinese labour in the construction of the Amur Railway, importing its workers at great cost from Central Russia; but nothing short of a rigid Exclusion Act, enforced by bayonets, can stop the steady advance across land-frontiers of the yellow race wherever a livelihood is to be gained by unceasing labour and penurious thrift.

From China northwards, through Mongolia and Manchuria, the resistless tide of China's surplus millions has been steadily flowing, diverted from the American continent and attracted by the prospects of wealth in the agriculture and gold mines of these undeveloped lands. Statistics show that, in the Amur and Maritime provinces, the Chinese population has lately increased more than twice as fast as the Russian—the number of Chinese in 1910 was estimated at 310,000, despite the Duma's protective legislation. The attractions of an Empire in which the dominant race becomes economically inferior to the subject, are not likely to be permanent, unless the colonised territory is administered on broad principles of genuine Imperialism.[1] What then? The Russian dominion in the Far East is inevitably confronted with the problem which California and Australia

[1] Chinese settlers in the Ili (Kuldja) territory have applied their system of intensive culture over a wide area, making a garden of the desert. Geographically, the province gravitates naturally to the orbit of Russian Turkestan: economically, no Russian settlers could live there unless the present Chinese peasants are expelled and all others excluded.

have had to face, but without the dividing seas which make its solution a matter of practical politics. The Chinese question in Siberia will mean the Jew problem over again, but in a highly aggravated form; for anti-Asiatic legislation is physically impossible in dealing with land frontiers which extend over so vast an area. And the sympathies of the civilised world will be with the Chinese, for the reason that the expansion of the Russian Empire in those regions has not been justified by any vital necessity. It is essentially artificial and gratuitous, an unnecessary result of the ambitions of megalomaniac bureaucrats—a result which must inevitably impose new and unmerited burdens of affliction upon a sorely tried race.

The position of the Japanese in this matter is fundamentally different. If they seek to expand their Empire upon the Asiatic continent along the lines of least resistance, they have at least the valid argument of imperative necessity and the law of self-preservation. Russia, in pursuit of her Imperial "cultural mission," leaves behind her vast regions undeveloped and almost unpeopled. Japan, with an annual increase of over 700,000 mouths to feed, her island Empire already congested and its population burdened with heavy taxation[1] because of the nation's limited resources—Japan must look beyond her borders, seeking new outlets and new resources, not in any spirit of gratuitous jingoism, but because of the insistent voice of a people that calls for bread and will not patiently accept starvation. Above the clamour of party cries and the shouting of extremists, Japan's Elder Statesmen hear and obey the deep unceasing murmur of the hungry masses, and because the Japanese race has learned efficiently from Europe the modern science of man-killing, it will assuredly find and secure those outlets which it seeks. In directing

[1] The Japanese tax-payer is the most heavily burdened in the world. He pays on the average two-and-a-half times more in proportion to income than the average Englishman.

the nation's destinies, the Japanese Government of to-day employs strategies and weapons which it has taken from Europe's armoury, and frequently improved for its own purposes—its scientifically organised Press Bureaus, for instance, its far-reaching secret service, and its efficiency in the arts and crafts of modern diplomacy. Japanese statesmen thoroughly understand, and adapt to their ends with extraordinary skill, the benevolent aspirations and solemn pledges exchanged in Treaties and Conventions which bind only the weaker party. The Government at Tokyo had laid its systematic plans for annulling several important provisions of the Portsmouth Treaty even before the ink on that document was dry: but in this matter neither Europe nor America can afford to adopt a high moral tone towards Japan. The land of the Rising Sun needs elbow-room and new resources for her increasing population. In her expansionist movement there occur, it is true, certain surface symptoms hardly distinguishable from the jingoism of England or the spread-eagleism of the United States: the Pan-Asiatic teachings of the Tenrikyo Society, for instance, which are in a large measure due to resentment against the imputation of inferiority contained in the Anglo-Saxon's Asiatic Exclusion Acts. But these symptoms, like every other phenomenon of the national life, are used and directed by the Japanese Government to the furtherance of a continuous and consistent national policy, of which the mainsprings are essentially economic. There is, indeed, something fascinating in the steadfastness and unswerving purposes of Japan's Elder Statesmen, since the war with China in 1894 first drew the eyes of the Western world to the birth of a new military Power on the shores of the Pacific. The imperative need for expansion is clearly recognisable at every stage, and the determination of its direction reveals infinite patience and scientifically organised knowledge. The long years of military and financial preparation required to enable Japan successfully to dispute

with Russia the path to Korea and Manchuria were merely the first stage of a journey of which the end is not yet in sight. Held back from wholesale emigration to Hawaii and the American continent, realising the prohibitive cost and the dangers of expansion in that direction, Japan has now concentrated every effort of her diplomacy and national organisation on the development of her position on the continent of Asia, advancing steadily westwards from Korea and the Liaotung Peninsula. Thus considered, the Anglo-Japanese Alliance, guaranteeing the integrity of China's territory, appears only as one of a long chain of events intelligently pre-arranged by Japan to obtain possession of China's defenceless and fertile Dependencies of the North.

JAPAN'S "PEACEFUL PENETRATION."

In the pursuance of these unswerving aims, born of racial instincts of self-preservation, Japan has made ready for war—she is making ready for it even now—but since 1895 she has consistently endeavoured to avoid it, and to obtain her ends by "peaceful penetration," by conquest of railway and bank, and by diplomacy. Prince Katsura, at St. Petersburg last July, was undoubtedly echoing the sentiments of the Elder Statesmen of 1904 when he expressed to M. Kokovtsoff the opinion that, if Russia had only been willing at that time to come to an amicable arrangement with Japan, "history would have had no sanguinary Manchurian campaign to record." Russia having learned her lesson of wholesome respect for the land of the Rising Sun, and Japanese diplomacy having succeeded in leading her to recognise the advantages of an "amicable understanding"; finally, there being no possibility of hostile intervention by other Powers, Japan may now reasonably expect to consolidate those "rights and special interests" for which she has laboured so long; but her military preparations to meet all possible contingencies will not be relaxed, her statecraft will

abandon nothing of vigilant co-ordination of all the nation's activities; for the gospel of efficiency has sunk deep into the patriotic soul of the Japanese people, and they know that the opportunities for expansion, if not their national existence, must always be dependent upon material force. For the present, by virtue of the new *entente*, there is room and time enough for Russia and Japan to effect their respective purposes by processes of peaceful penetration and by a gradual re-interpretation of the *status quo*; but the Elder Statesmen of Dai Nippon look out upon the troubled seas of world politics with a far-seeing gaze, and everything in the present disposition of their forces points to perception of the truth that, sooner or later, there must be another struggle for predominance in these outlying Dependencies of the Chinese Empire. Economically, the Japanese wave of humanity spreading westwards through Korea, Manchuria and Inner Mongolia has nothing to fear from Russian competition; strategically, the preparations which the naval and military authorities are steadily organising at Port Lazareff, Dalny, Chang Chun and other places, are unmistakably intended to enable Japan, if necessary, to envelop Vladivostok and the Primorsk. Quietly and efficiently, using forcible and arbitrary measures only in cases (such as that of the Antung-Moukden Railway) where persuasive diplomacy has failed, Japan continues to make good her foothold on the mainland and to prepare for all emergencies. And all these activities are forced upon the rulers of the nation by their legitimate apprehensions of increasing severity in the economic struggle for existence. "Eastern Asia," said Marquis Komura recently in the Diet, "is the only safe field for Japanese emigration."

It is not within the purposes of the present work closely to discuss the new problems which have arisen to disturb the minds of Japan's rulers, by reason of the evidences of spiritual decay following in the wake of the country's modern materialism. To many foreign observers, since Lafcadio

Hearn wrote "Japan—an Interpretation," and to many patriotic Japanese, it seems, indeed, that either the new Era of Taisho (Righteousness) must lead the people back again to the "Way of the Gods," or that the Island Empire must reap the bitter fruits of a sordid commercialism. These questions are attracting attention in Japan as serious as that which the nation's leaders have concentrated upon the solution of its economic problems. A recent article in *The Times* describes the situation with sympathetic insight.

"Plainly the men who hold in their hands the fate of the Japanese race are filled with deep anxiety. They see the ancient virtues of their people growing dim, the old habits of thrift and sobriety weakening under the allurements of a glittering prosperity, the old ideals of devotion and self-abnegation vanishing in the greedy race for wealth and ease. Their efforts to stem the new tendencies verge upon the pathetic. We hear of rescripts enjoining the moral virtues, of cold and passionless scrutiny of the faiths of other races, of ingenuous conferences to consider whether a new eclectic religion might not be framed and forced upon the people."

I refer to these problems—which perturb other nations besides Japan—in order to suggest that certain aspects of the expansionist movement, and certain local or individual manifestations of the more unpleasant forms of materialism, are not necessarily to be regarded as representing the deliberate intentions or the permanent direction of the national policy.

JAPAN'S POST-BELLUM POLICY.

In considering the present policies of Japan concerning the affairs and dominions of China, it will not be necessary to go back further than the date of the Portsmouth Treaty (August the 23rd, 1905). The conclusion of the subsequent Sino-Japanese Agreement, signed at Peking on the 22nd of December, actually marks the commencement of a new era,

an era in which the avowed objects of the Anglo-Japanese Alliance (although specifically re-affirmed) have ceased to be practical politics. From the moment when this Agreement, with its unpublished "supplementary clauses," was signed, the policy adopted by Japan's diplomatic and financial agents was consistently directed along new lines of "peaceful penetration," under conditions which frequently involved direct conflict with the legitimate vested interests of Great Britain, violation of the principle of equal opportunities in Manchuria, and disregard of British rights in the Yangtsze Valley provinces. Already, in August, 1905 (coincident with Chang Chih-tung's re-purchase of the Hankow-Canton Railway concession from the Americans with money borrowed from the Government of Hongkong), the agent of the Yokohama Specie Bank[1] had succeeded in depriving Great Britain of any prospective benefits from that transaction; invoking the alliance on the one hand and arousing the Viceroy's suspicions on the other, to obtain an undertaking that Japanese engineers would be employed in the future construction of the railway. This undertaking, added to the moral effect of the Yangtsze Viceroy's financial obligations to the Japanese, was sufficient to nullify the subsequent efforts of British diplomacy at Wuchang. In this instance, as in many others which might be cited, the Japanese Government was not actuated by any feelings of hostility towards Great Britain. On the contrary, where no Japanese interests were at stake there

[1] Mr. Odagiri, the agent in question, was for many years Consul-General at Shanghai, and closely connected with the activities of Japan's political agents in the Yangtsze Valley in 1902. Possessing an extensive acquaintance amongst the higher Chinese officials, and an intimate knowledge of Yamên finance, he subsequently became a familiar figure in the *welt-politik* and high finance world of Peking. His appearance on the scene invariably portended important political developments, generally tending to promote Japan's peaceful penetration. A stormy petrel of cosmopolitan finance, and one of Japan's ablest agents in the Far East, he completely out-manœuvred the British Legation over the Hankow-Canton Railway loan and on other occasions, by reason of his great influence with Na T'ung, Chang Chih-tung and other powerful officials.

was every indication of sincere good-will; but it became clearly manifest, long before the first Russo-Japanese *rapprochement* in 1907, that the policy upon which the Government at Tokyo was now intent would not be hampered by sentimental considerations of any kind. Profiting by her geographical advantages, her agents' intimate knowledge of Chinese affairs, and the international jealousies of the great commercial Powers, Japan had every reason to expect that, if China remained administratively corrupt and materially weak, a few years would suffice to establish Japanese economic and political ascendancy from Moukden to Canton. These ambitions were threatened first by T'ang Shao-yi's policy of introducing British and American capital into Manchuria, later by Mr. Knox's neutralisation scheme, and finally by the international concern in China's finances aroused by the outbreak of the Revolution.

By Article IV of the Portsmouth Treaty, Japan had engaged herself "not to obstruct any general measures common to all countries which China may take for the development of the commerce and industry of Manchuria." The published text of the Peking Agreement of the 22nd of December contained nothing contrary to the provisions of the article, but by one of the supplementary clauses, attached thereto, the Chinese Government (represented by the notoriously venal Na T'ung) agreed not to construct any railway in Manchuria parallel to, and competing with, the South Manchurian line. On the 8th of November, 1907, Lord ffrench (representing Messrs. Pauling and Co., the British railway contractors) concluded with the Viceroy of Manchuria an agreement for the construction of a railway to connect Hsin-Min-t'un, a station on the Imperial Railways of North China, with Fakumen, the Mongolian border town and trade centre. In concluding this agreement, Lord ffrench had the approval and support of the British Minister, who, at that time, was unaware of the precise interpretation

placed by the Japanese Government upon the supplementary clauses of the Peking Agreement. Japan, without recourse to the "full and frank communication" prescribed by Article I of the Anglo-Japanese Alliance, vetoed the construction of the Fakumen line on the ground that it would compete with the South Manchurian Railway. This argument could obviously be extended, and has been since extended, to preclude China from constructing any railways for the development of Manchuria.[1] In other words, the supplementary articles of the Peking Agreement constituted a direct violation of the provisions of the Portsmouth Treaty and of the preamble to the Anglo-Japanese Treaty of Alliance. The British Government instructed His Majesty's Ambassador at Tokyo to submit "friendly representations" to the Japanese Government on behalf of the capitalists and contractors interested in the proposed railway and in pursuance of the principle of the open door. Japan proceeded by diplomatic representations and by the publication of an "authoritative statement" (June the 10th, 1908) to justify her action and to assert a general claim to reversion of all the undefined "rights and privileges" formerly held by Russia in the South Manchurian Railway, even going so far as to cite as a precedent the exclusive position maintained by Germany in Shantung. Herein was the first official intimation of a return to the "spheres of influence" *régime* which Japan had pledged herself, before the war, to oppose. A melancholy interest attaches at this date to the fact that one of the first objects of the Anglo-Japanese Alliance, expressed by Lord Lansdowne to the Russian Ambassador (M. de Stäal) in 1902, had been to oppose those provisions of the Russian Manchurian Convention "which limited

[1] In May, 1911, the position as determined by Russia and Japan was thus officially defined by the Russian Minister of Foreign Affairs: "The solidarity in railway matters which exists between Russia and Japan, precludes the Russian Government from giving their support to any line to the south of Harbin, to which the Japanese Government should object as being injurious to the interests of the South Manchurian Railway."

China's right to dispose of her own military forces and to construct railway extensions within her own territory."

Interesting, too, as indicating the thoroughness of Japan's diplomatic training, is the Chinese account of the manner in which Baron Komura obtained the inclusion of China's self-denying ordinance in the "supplementary" clauses. It was set forth in a despatch addressed by the Waiwupu to the Japanese Minister at Peking on the 6th of May, 1908, as follows :

"In referring to the Conference negotiations and stating that China is now violating her Treaty obligations by taking action prejudicial to the interests of the South Manchurian Railway, Your Excellency is probably unaware of the fact that at the time China's Agreement was concluded between the Japanese and Chinese plenipotentiaries the latter maintained that the word "parallel" was too comprehensive and that the Agreement should state definitely in miles the distance within which no parallel line should be built. To this request the Japanese plenipotentiary replied that if the number of miles were fixed it might create the impression in other countries that Japan intended to restrict Chinese railway enterprise. They were subsequently asked to agree that the distance should be understood to be such as would be usual in England or America, but they objected to this proposal on the ground that no general rule exists on the subject. Moreover, the Japanese plenipotentiary declared that under no circumstances would Japan do anything to restrict China in future from any steps she might desire to take for the extension of means of communication in Manchuria. These declarations were made in all sincerity and at a time when the most friendly relations existed between the two countries."

Neither the "friendly representations" of Great Britain nor the protests of China served to induce the Japanese Government to define its position or its demands. China's proposal to submit the case to the Hague was ignored. The veto was uncompromising and rigid, and the Chinese, fearing

reprisals, refrained from proceeding with the construction of a railway which, as *The Times* correspondent observed, was "essential for the development of the rich and thickly peopled area of the Chinese Empire west of the Liao river."

The history of the Chinchou-Aigun Railway has been recorded in an earlier chapter. It proved conclusively that Japan was determined to close the door to equal opportunities in South Manchuria and to prevent the establishment of any vested interests but her own in that region. The Knox "neutralisation scheme" was America's counter-move, and the Russo-Japanese *entente* the final result, England playing the while her double *rôle* of faithful ally and uncomplaining victim.

THE 1911 MODIFICATION OF THE ANGLO-JAPANESE ALLIANCE.

It was clear that the utility of the Anglo-Japanese Alliance was waning and that the increasingly strained relations between the United States and Japan must lead to a modification of the international situation. The Russo-Japanese Agreement of July, 1910, cast new shadows of impending change. It cannot therefore have come as a surprise to the Government of Japan when, in the summer of 1911, the British Government expressed its desire to modify the terms of the Alliance by the stipulation that Great Britain should not be expected to render armed assistance to her ally against any Power with whom she had concluded an arbitration treaty. Such a treaty was then in course of negotiation with the United States: the Alliance, properly speaking, should have run till August, 1915. The modification desired by Great Britain was effected and the Treaty of Alliance was renewed, in its modified form, to run for a term of ten years from the 13th of July, 1911.[1] At this date, the proposed Arbitration

[1] The Treaty of Alliance was revised on the ground that the Governments of Great Britain and Japan believed that revision, "responding to

Treaty with the United States had not been ratified; if it had not been for her own proceedings in Manchuria, Japan might therefore have been justified in resenting her ally's action, evidently intended to remove from the field of Anglo-Saxon hostilities Japan's declared rival for the mastery of the Pacific. The subsequent action of the United States Senate in emasculating the Arbitration Treaty told heavily on the Japanese side of the question, besides creating a poor impression of British diplomacy, which had thus exposed its hand to no good purpose. The position was rendered all the more delicate, and the action of the United States Senate the more short-sighted, by reason of the fact that at this juncture Japan was deliberately creating a diversion, for the benefit of her position in Manchuria, by her *pourparlers* with General Madero in Mexico for "fishing rights" in Magdalena Bay. There is no reason to assume any very keen desire on the part of the Government at Tokyo to establish a naval base within striking distance of Panamá, but there is every reason to believe that it had accurately gauged the effect of such a *ballon d'essai* on the Senate, and on that section of the American public which follows after Senator Lodge and "General" Homer Lea. As a red herring across the Manchurian trail, Magdalena Bay proved extremely effective, and Japanese journals on their side began seriously to discuss the possibility of a "Monroe doctrine for Asia."

They discussed also, as a matter of business expediency, the passing of the Anglo-Japanese Alliance. With the outbreak of the Revolution in China many business men and progressive politicians in Japan showed open signs of disaffection towards a political arrangement which seriously cramped their movements, and limited their opportunities,

the important changes which had taken place in the situation, would contribute to general stability and repose." Article IV reads as follows:

"Should either High Contracting Party conclude a Treaty of general arbitration with a third Power, it is agreed that nothing in this Agreement shall entail upon such Contracting Party an obligation to go to war with the Power with whom such Treaty of arbitration is in force."

in China. In February, the *Osaka Mainichi* (representing the opinions of Prince Katsura) frankly complained that the Alliance had ceased to serve any good purpose and that it was operating to the detriment of Japanese interests; other papers ingenuously argued that, inasmuch as the Alliance had originally been made to protect common interests against Russian aggression, it must naturally lapse now that Russia and Japan, with England's consent, had established an *entente* on the Far Eastern question. England's mild but obvious sympathies with the principle of the "open door," taken together with the results of the "Six Nations" loan conferences, produced an atmosphere of unmistakably conflicting interests and some strain on the loyalty of Japan's responsible statesmen. Both Sir Edward Grey and Prince Katsura have publicly referred, upon different occasions, to the existence of these conflicting interests and to their mutual satisfaction at the loyal observance of the Treaty of Alliance under circumstances of unusual difficulty.

JAPAN AND THE CHINESE REVOLUTION.

The sudden outbreak of the Revolution at Hankow (October, 1911), found the Japanese Government, comparatively speaking, unprepared—that is to say, without definitely "pre-arranged" plans to meet some of its more immediate consequences. That trouble had long been brewing, Tokyo was well aware, if only because of the part played by Japanese agents and military instructors in the revolutionary organisation, and the close relations between Sun Yat-sen's party and Japanese financiers; but the actual outbreak was accidental. It is significant of the efficiency of Japan's secret service and preparatory organisation that Admiral Kawashima arrived upon the scene at Wuchang within a few hours of the first signs of serious disturbance: but at that time the Japanese Legation at Peking shared the general belief that the rebellion would speedily be quelled. Russia's

sudden development of her forward policy in Mongolia, while yet the outcome of China's civil war remained uncertain, was immediately followed by widespread agitation in Japan for a more vigorous and independent line of action. The Marquis Saionji and Viscount Uchida were severely taken to task by the Press for timidity and vacillation of purpose. Was the effect of the Anglo-Japanese Alliance to prevent Japan from taking advantage of the opportunities presented by the situation at Nanking? Was the "Four Nations" syndicate to place and keep China under the bondage of international European finance, to the exclusion of Japan? There were large vested interests of the great Mitsui Company and other Japanese enterprises in the Yangtsze provinces, and only a few months before (March, 1911) Mr. Odagiri had arranged his loan of a million sterling to Sheng Kung-pao. If Japan had no superfluous capital to offer, she had local knowledge and intimate relations with the Chinese, which fully justified her claims to play the "honest broker"; more than that, a very important section of the most influencial opinion in Japan had come to the conclusion that the time had arrived to substitute for the principle of equal opportunities definite claims to recognition of Japanese priority of rights and superiority of position.

For some time after the outbreak of hostilities at Wuchang the Government at Tokyo evidently hesitated as to its policy, for the reason that it had not anticipated the sudden development of the Republican movement. The advantages to be derived from the gratitude of the Manchus in supporting the Monarchy were obvious, and worthy of serious attention; on the other hand, England inclined to benevolent neutrality, while there were undeniable possibilities of turning the Republican movement to the advantage of Dai Nippon. The Progressist, or Popular, party in Japan, whose leaders were in close touch with Sun Yat-sen, were all for supporting the Republic and establishing claims to the good-will of Young China. The Provisional

Rebel Troops near Wuchang.

Government at Nanking, looking everywhere for loans at all costs, was making overtures to Japanese capitalists which promised to give Japan a permanent hold upon the most valuable shipping lines, railways, mines and industrial undertakings in Central China. Was it not clearly the duty of the Government to seize these opportunities rather than to permit China to be enmeshed in the toils of international finance? One of the most important affairs thus proposed was a loan of Tls. 10,000,000, to be made by the Mitsui Bishi Company to the "China Merchants" Company, which, if concluded, would have given Japan a position of great advantage in the Yangtsze river and coast trade. Sheng Kung-pao, then in Japan, was anxious to convert his holdings in this company into cash, and the position generally was extremely favourable to Japanese enterprise. There can be but little doubt that T'ang Shao-yi and Sun Yat-sen made use of the eagerness which the Japanese were displaying in this matter to compel the "Four Nations" Banks to advance the funds required by the Revolutionary party at Nanking. The Japanese Company's preliminary contract had, in fact, been negotiated at the end of February, when T'ang Shao-yi returned to Peking, and after explaining the situation, demanded that a sum of two million taels be paid to President Sun Yat-sen. The money was paid through the Hong Kong and Shanghai Bank at Shanghai on the following day (February the 28th), and once more the Chinese had successfully played off the barbarians against each other.

Throughout the winter of 1911-12, protracted negotiations had been carried on between the British, French, German and American Governments on the subject of inviting the Russian and Japanese Governments to appoint financial groups to join the "Four Nations" syndicate. It was chiefly due to the representations of the British shipping companies at Shanghai in the matter of the Japanese financiers' attempt to secure control of the "China

Merchants" business that, almost on the same date as the Republicans got their money, the "Four Nations" invited the Russian and Japanese Banks to enter the "ringed fence" of cosmopolitan finance. In justice to Japan, it must be admitted that at this juncture the Elder Statesmen displayed a fitting sense of loyalty to the Anglo-Japanese Alliance and remarkable control of the situation. The independent Japanese financiers, who had been actively pushing all manner of negotiations with the Nanking Government, were called off; and in the case of the Okura loan, negotiated upon the security of the Shanghai-Hang-chow-Ningpo Railway (contrary to the terms of the British loan agreement for that line) matters were suspended, in deference to the representations made by the British authorities. The manner in which Japan made her *début* upon the scene of international finance, and the conditions which she proceeded to lay down as the price of co-operation, without available capital, in loans to China, will be told in the next chapter. Once admitted into the "Six Nations" group, her diplomats were in a position to exercise, through the channels of cosmopolitan finance, influences hitherto unavailable. From this time forward the policy of Japan showed no signs of hesitation.[1] The line of least resistance had been definitely located. Four months later the Katsura Mission had been arranged, and the British Govern-

[1] On January the 27th Mr. Oishi attacked in the Diet the Government's policy in China. "The Chinese policy of the Administration," he said, "is continually vacillating. There is probably no question so vital to Japan as the civil war in China, but our Government has no policy to follow. This indecisive attitude of the Government is illustrated by the fact that there are many Japanese serving both in the Imperialist and Revolutionary armies. Hence the Chinese regard us with suspicion. Tokyo recently gave its support to Peking; yet now it claims to have been strictly neutral." To this the Marquis Saionji replied that Japan's undeviating policy from the outset had been to preserve strict neutrality, and to "maintain the territorial integrity of China." A week later, General Ishimoto, Minister of War, admitted that arms to the value of three million yen ("discarded but not obsolete") had been sold by the Government of Japan to the Revolutionaries since the outbreak of the civil war.

Cormorants Fishing on the Huai River.

Coolies on the Move, Hungtsze Lake, Kiangsu.

ment had recognised Japan's "special interests" in Manchuria, with a very clear appreciation of what those interests must involve.

With this question, for the moment, we are not concerned further than to observe that if, in the fulness of time, China comes under a financial *consortium* of the Powers, it may safely be anticipated that her vast dependencies which lie beyond the Great Wall will be reserved for special treatment, and that the shibboleths of the "open door" will be decently buried and forgotten in that region, as they are in Korea.

But what of the more remote future? Is it to be expected that Russia will long remain satisfied to be barred by the desert of Gobi from her predestined path to the South? When the territories of the Great White Tsar shall have been extended across Chinese Turkestan, Northern Mongolia and Hei-lung-chiang to the Sea of Japan, how shall it profit Russia economically? Will it not be the more imperatively necessary for Japan to extend and secure her own foothold on the seaboard, and politically and commercially to hem Russia in? Will she await the building of the new Russian fleet before seizing the Primorsk and Vladivostok? And at what point will cease the geographical gravitation of China's loosely-held territories towards Japan? To-day Manchuria, to-morrow Chihli—the pretexts for expansion will be as numerous as the opportunities are tempting. Looking at the whole situation in the light of recent history, and judging its development by what we know of the structural character of the Russian and Japanese peoples respectively and of their Empire-making policies, there appears to be no escape from the conclusion that the Russian Government is entering upon these new and perilous adventures with as light a heart and as little information as it displayed in the evil days which men remember by the name of Port Arthur. There can be no possible pretence of altruism in the purposes which, for the moment, have

brought these rival Powers together for division of the spoils ; nor, in that division, can there be any reasonable doubt as to which Power will have most reason to congratulate itself on the results. The haphazard, "nichevo" methods of the Slav will assuredly lure him on—nay, are already luring him on—in the direction and for the ultimate ends of his undoing, arranged with scientific precision and untiring industry by the Japanese. It is the old story of the professional and the amateur. For the expansionist policy that is leading Russia once again into the uttermost parts of Eastern Asia is a policy of adventure; but Japan, compelled by grim necessity, is struggling at all costs to enlarge her boundaries, to find outlets for a population rapidly increasing beyond the sustaining capacity of its native islands.

CHAPTER XIII

INTERNATIONAL FINANCE AND WORLD-POLITICS

CHINA'S SYSTEM OF GOVERNMENT FINANCE.

It is not the general purpose of this book to go much beyond recent events and present policies in China. Before considering the latest phases of international finance, however, as exemplified in the loan negotiations of the "Six Nations," it is necessary that the reader should form a general idea of China's economic needs and resources, and should understand through what causes and to what extent she has gradually become enmeshed in the toils of political money-lenders.

The Manchus, even under the enlightened rule of the Emperors Ch'ien Lung and K'ang Hsi, never evolved anything equivalent to an organised political economy, as modern Europe understands the term. Their immutable fiscal system consisted of the collection of more or less fixed quota of bullion and grain by the Viceroys and Governors of the several provinces, for the support of the Imperial Court and the maintenance of the eight Banners. The shortcomings of any province incapacitated by famine, floods, or other visitations of the wrath of Heaven, were usually made good by supplementary levies on its more prosperous neighbours, the whole business involving continual appeals and explanations, and rule-of-thumb arith-

metic. The total amount officially remitted to Peking by the eighteen provinces averaged annually some forty millions of taels (say five millions sterling). This sum represents the amount heretofore receivable by the Central Government for the purposes of the Court, the administration of the Metropolitan province and the defences of the north-west frontiers. It does not by any means represent the Court's total income, nor the funds actually disposed of by the metropolitan mandarins, because it takes no cognisance of the vast sums continually paid by expectant or promoted officials in the shape of bribes, *douceurs*, birthday presents and peace offerings. The official quota, always published in the Memorials of the Board of Finance, were fairly regularly remitted, and may be said to have represented the Manchu Government's visible means of subsistence.

For the remittance of this comparatively trifling sum of forty millions of taels to Peking, and for the purposes of provincial administration, most of the funds collected by the provincial Treasurers were levied on trade. The Chinese people has always been firmly and successfully opposed to the levying of direct taxation, whether for Imperial or for local purposes ;[1] so that, with the exception of a land-tax assessed at a very low rate, the local authorities were compelled to look to trade (and generally defenceless trade in transit) to supply the Imperial and provincial revenues. The total amout of these national revenues, prescribed partly

[1] This statement does not apply to Chinese communities resident abroad (*e.g.*, in British or Dutch Colonies) where, in return for direct taxation, they receive definite benefits of public administration and security for life and property. In the Foreign Settlements at Shanghai half a million Chinese residents contribute regularly and cheerfully the rates and taxes imposed by the authority of the Municipality. In Peking, the authority of the Ministry of the Interior is insufficient to secure regular payment of a tax on shop rentals or jinrickshas. The fact is that the essentially practical mind of the Chinese race declines to pay, because it has realised that four-fifths of all taxes go to line the pockets of the mandarin, and that the mandarin has no means of enforcing direct taxation.

by a rough and ready system of 'olo custom,' and partly by the necessities and rapacities of the moment, has varied but little in the official returns of the past fifty years: it may be said to have averaged some 90 millions of taels *per annum*, (say, twelve millions sterling) for the whole of the eighteen provinces. Of this total, about three-quarters would fairly represent the amount levied on trade, through the Imperial Maritime Customs collectorate, the salt and opium taxes, and lekin on grain and general merchandise. Needless to say that, for every tael officially accounted for by the provincial authorities, at least five are actually collected from the taxpayer. The whole system—it is for the moment disorganised but not superseded—consists literally of hand-to-mouth expedients and opportunities for peculation thoroughly vicious and wasteful. From the Manchu Government's point of view, so long as Peking received its annual quota in grain and sycee, the administrative machine had fulfilled its purposes, and so long as the Empire remained isolated, solving its problems by these hand-to-mouth methods, the ancient machine worked, on the whole, without more accidents and friction than occur with those of the latest modern designs.

The indemnity levied upon defeated China under the Treaty of Shimonoseki in 1895 threw the whole machine out of gear and inaugurated a period of financial disorganisation the evil effects whereof were rapidly cumulative. The annual charges, for interest, on the loans raised to pay the Japanese indemnity amounted to no more than $2\frac{1}{2}$ millions sterling, but the remittance of this amount, as an additional burden on the Provincial Treasuries, reduced *pro tanto* the balances available for local purposes. Their arbitrary exactions, under the headings of lekin and excise, were correspondingly increased, to the great detriment of trade and the general impoverishment of the middle classes. After the Boxer rising, which imposed a further strain upon the Imperial Exchequer, matters grew steadily worse, the

amounts required for the payment of the greatly increased burden of indemnities being obtained by a variety of expedients, all of which were calculated in the long run to aggravate the general situation. Peking continued to expect its undiminished remittances; the total service of the foreign loans had increased, by the end of 1908, to a total of sixty million taels, or roughly, $7\frac{1}{2}$ millions sterling. By profits on the minting of more or less debased coinage, by the issue of paper money unsupported by bullion reserves, by loans and by increased levies on staple exports at the centres of production, the Viceroys and Customs Taotais managed to scrape together the funds required, taking care, at the same time, to feather their own nests in view of the *débâcle* which many foresaw. The results were fatal to the economic development of the country's resources in many directions. The tea trade was steadily ruined by the imposition of heavy lekin and by wasteful methods of preparation; China's predominant position as a producer of silk was gradually impaired, to the immediate benefit of Japan; even the production of raw cotton was subjected to taxation of a kind that effectually prevented any systematic development of an industry which might otherwise have greatly benefited the Empire. By 'squeezes,' by lekin barriers innumerable, and by every possible expedient of reckless money-raising, the mandarin continued to fulfil his own purposes and the requirements of Peking: but the results showed a persistent balance of trade against China, and the only means of meeting the country's liabilities (small though they are in relation to the size of the Empire) lay in the raising of fresh loans.

ACTUAL AND POTENTIAL RESOURCES.

It has been generally stated for many years past, and commonly accepted as a truism, that the developed resources and commercial possibilities of China are enormous: at the same time, the anxiety of England and other Powers

to maintain the "open door" and their keen competition for the Chinese market, have flattered Young China's *amour propre* and intensified its determination to develop these resources in its own way and for its own benefit. The journalists and politicians of the Treaty Ports are never tired of expatiating on the miraculous growth of trade and industry which is to take place in every part of the country when once the Republican Government shall have been recognised and when foreigners shall have consented to the retrocession of their extra-territorial rights; and these roseate visions have produced an undeniable effect on the Press and money markets of Europe. In so far as the mineral resources of the country are concerned, there exists some justification, based on the scientific observation of experts, for these optimistic opinions. The researches of Baron Richthofen justify the belief that, with honest administration and modern methods of working, China might speedily attain to a high place amongst the world's producers of coal, iron, and steel. Apart from the production of minerals, however, reliable data are lacking as to the potential resources of China in the production of surplus staples of trade, whether pastoral or industrial. On the other hand, there is every reason to expect that the congested population of the central provinces will always require for its needs by far the greater part of what the country can produce. There is nothing in our knowledge of China to justify the belief that wealth has been hoarded, or is being hoarded, to any considerable extent, as in India, by the masses of the population. On the contrary, China's frequently recurring famines are surely the acute symptoms of the chronic poverty of this people, vast numbers of whom live within measurable distance of starvation. The essential industry of the country, based on its patriarchal system of immovable traditions, is, like that of Russia, agricultural, but the pressure of population on the food supply is infinitely greater than in any other part of the world. The position is clearly reflected in the

rough figures generally current concerning the trade, population and vital statistics of the country. The population, loosely stated by missionaries and by the Chinese themselves at 400 millions, is known to be at the present day about 320 millions, which figure includes the inhabitants of Manchuria and Mongolia. Accepting this as the approximate total, the *per capita* value of China's foreign trade may be put at about seven shillings, which is lower than that of any other country in the world. Similarly, taking the rough total of foreign loans and indemnities (exclusive of the sums raised for the construction of railways) as 120 millions sterling, the national debt *per capita* amounts roughly to eight shillings. In other words, the commercial and economic position of the Chinese remains in a rudimentary state of evolution, from which progress must be difficult so long as the social conditions and structural character of the race remain unchanged. This rudimentary condition is no matter for surprise when we remember the nature of the country's government, not only under the Manchu dynasty, but under its predecessors, and considering how few have been the encouragements given to foreign trade, how limited the opportunities for industrial enterprise.

The needs of the economic situation have frequently been discussed by authorities innumerable, most of whom have realised that the reorganisation of the country's revenues and finances upon a sound and honest basis is a matter of imperative urgency. If we consider this matter without prejudice and in the light of all experience, it is not possible to hope that this fundamental reform can be effected without the employment of competent Europeans, invested with a reasonable measure of authority. The history of industrial enterprise under mandarin control in China leads inexorably to this conclusion. It is a conclusion naturally distasteful to the patriots of the new dispensation, and there are, no doubt, a certain number of honest citizens of the Republic whose legitimate *amour propre* is wounded by the suggestion.

Waiting for Execution, Peking, March 1912. *Photo, Camera Craft Co.*

Nevertheless, they themselves individually admit (though collectively they may deny) that the number of self-seeking and dishonest officials is so great that, given a free hand, they must infallibly increase the disorganisation of the country's finances and prevent the establishment of a stable government.

Given laws for the equitable levying of taxation, and centralised forces capable of carrying them into effect; given economic and industrial activity, directed by disinterested and efficient experts: finally, given improved means of transport and modern methods, there is no doubt that the land tax, the Customs, and a reasonable amount of excise on salt, opium, tobacco and other commodities would speedily place China in a position of solvency and even of prosperity. What has been done in Turkey under the direction of Sir Richard Crawford could be done in China. But the Budget proposals of the Ministry of Finance and the proceedings of the Republican Government, reveal no intelligent appreciation of the country's needs or knowledge of its resources. On the contrary, they continue to reveal rigid adherence to mandarin methods, a large vagueness, and a persistent secretiveness which afford ample ground for insisting upon effective supervision of foreign loan funds' expenditure.[1] In a pamphlet dealing with the recent loan negotiations,[2] Sir Robert Bredon states that two Finance Ministers had told him that secretiveness is almost forced upon them. "They confess it to be due to the fact that the Central Government cannot vouch for the accuracy of the component sub-accounts (inferentially, nor for the capacity and reliability of the accountants) and so they have never dared to submit a national Budget to international criticism." The facts and figures cited by the Chinese Government in defining its own

[1] All these have been emphatically demonstrated in the loan negotiations, which, at the end of September, culminated in the agreement concluded with the financial house of Birch-Crisp & Co., and which, for the time being, have evaded the condition of supervision over expenditure.

[2] *China—the Loan Situation at Date.* By Sir Robert Bredon. April, 1912.

financial position, are, indeed, so solemnly farcical as to lead many observers to despair of a nation whose leaders can produce such things. Useful, perhaps, for purposes of "face-making," and to provide foreign financiers with "official" materials for loan prospectuses; but in other respects merely the ornamental gilding of an edifice of organised dishonesty.

CHINESE OFFICIAL FINANCE; THE BUDGET.

The "Imperial Budget" for the year 1911 was actually published, after long discussion and careful revision by the National Assembly, showing an estimated surplus. The reader will be able to form for himself an idea of official Chinese finance by glancing at the headings of the Income side of this Budget. For purposes of comparison, and to show how firmly mandarin methods persist amidst all the Republican Government's professions of reform, I have placed beside it the estimates of Income as stated by President Yuan Shih-k'ai at the opening of the Advisory Council on the 29th of April last.

	Estimated Income (in millions of taels).	
	Before the Revolution.	After the Revolution.
Land Tax	50 millions	46 millions
Salt and Tea Tax	48 „	46 „
Customs Revenue	42 „	42 „
Sundry Taxes	26 „	36 „
Lekin	44 „	43 „
Income from Govt. Property	47 „	37 „
Sale of Official Ranks	6 „	Nil
Sundry Income	35 „	19 „
Sale of Govt. Bonds	3 „	—
Total	301 „	269 „

Even the ingenious pundits whose business it is to make these toy bricks without straw in the precincts of the Ministry of Finance could not well include the sale of Official Ranks in the sources of Republican Income; in other respects, however, they have clung firmly to precedent,

probably on the excellent principle that no good purpose is served by changing things which have never had any practical significance. At the same time, it was necessary to show that the income available for the Republic's purposes was "elastic." The somewhat disturbing statements made by the Premier (T'ang Shao-yi) to the Nanking Assembly on the 29th of March and the prospect of large borrowings in the immediate future led, therefore, to the adoption of devices calculated to display the necessary elasticity and, at the same time some knowledge of modern Budget-making. The above headings of Income were accordingly described as "Ordinary," and supplemented by an Extraordinary, or "Provisional," Budget, bringing the total up to the 300-million-tael mark of 1911. It showed supplementary estimated receipts from Land Tax and Native Customs (the latter calculated with nice precision to a fraction of a dollar) and a sum of 25 millions to be derived from "Contributions, Government Credit Notes and Sundry Receipts." Beyond a general proposal to increase the Foreign Customs duties with the consent of the Powers, there is no suggestion in all these puerilities of any serious attempt to reorganise the fiscal policy and the internal revenues of the country.

Addressing the Nanking Assembly on the 29th of March T'ang Shao-yi, as Premier, declared China to be "the most poverty-stricken country of the world," quite incapable of solving its immediate problems or developing its industries except by recourse to borrowing on a large scale. A fair idea of Chinese official finance may be formed upon the subsequent exposition of the situation by the Premier—one of the very ablest of foreign-educated officials—and by the part which he himself played in the loan negotiations. His attitude from the outset was characterised by a supreme indifference to facts and a general recklessness of methods, combined with a determination to borrow as rapidly and as freely as possible under any conditions which would place foreign capital at the unfettered disposal of the Republican

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authorities. He stated that the deficit on the Ordinary Budget for 1911 was 54 millions of taels, to which must be added 24 millions for "Extraordinary" expenditure. Interest and amortisation overdue on foreign loans and indemnities he placed at 50 millions, to which he added another ten millions for the service of the Hukuang and Currency Loans—though the latter had not been issued. He estimated the amount required during the year for the disbanding of eighty divisions of the army[1] in the South at 80 millions of taels; he proposed to devote 20 millions to "provision for reconstruction" of property destroyed during the Revolution, and to "grants, pensions and indemnities to the servants of the nation with provision for the maintenance and education of their offspring," with another 7 millions for the "expenses" of the Provisional Government; finally concluding that a sum of 215 million taels (say £28,000,000) must be obtained by means of foreign loans to meet the absolute necessities of the Republic for the current year. In the face of such a programme, outlined by the Premier of China, combined with his party's avowed determination to resist all attempts to introduce effective supervision over loan funds' expenditure, it was inevitable that the Governments behind the "Four Nations" Banks should perceive something of the dangers of the situation, and that the British and French Governments, in particular, for the protection of their bondholders' interests, should insist upon a return to the safeguards unfortunately abandoned in 1908. When, on the 14th of March, T'ang Shao-yi concluded his "uncontrolled" loan agreement with the "Belgian group" at a rate of interest two per cent. higher than that at which he could have borrowed from the "Four Nations," and when, two days later, Dr. Sun Yat-sen persuaded the National Assembly

[1] The Imperial Army of China, distributed (largely on paper) throughout the provinces, consisted at the end of 1911 of thirty-six Divisions. The attempt to obtain vast sums for the wholesale disbanding of the imaginary forces in the South was one of the most significant features of the Premier's proposals.

at Nanking to ratify this agreement in secret session, it became impossible for either Foreign Offices or financiers to cherish any further delusions as to the value of the Republican leader's professions of financial reform. The arrogance displayed by the Premier in discussing these questions with the Diplomatic Body at Peking, his flagrant breach of faith and super-mandarin quality of duplicity, terminating in his ignominious exit from the Premiership, all proved, in a certain sense, to be blessings in disguise: for they served to emphasise the fact that the mandarin has learned nothing and forgotten nothing, and to convince the State Department at Washington, and the Foreign Office in London, of the necessity for closer supervision of the proceedings of international finance at Peking. It was realised that China's financial salvation could only be worked out on lines of benevolent tutelage, from which mandarin rapacity must be eliminated, and that, if borrowing on a large scale was to be encouraged, it must be with guarantees and safeguards more effective than those which had been accepted by the "Four Nations" syndicate in the cases of the Hukuang and Currency loans.

VAIN HOPES OF ADMINISTRATIVE REFORM.

The financiers themselves recognised the fact that, if China's national debt was to be increased by 50 per cent., as T'ang Shao-yi and other responsible officials proposed, the credit of the country on the European money-markets could not long be maintained at its present artificial level, except by insistence on conditions which would secure the expenditure of loans on genuine reforms and reproductive undertakings. The leaders of the Republic had proved themselves just as irresponsible and untrustworthy as the Manchus. Yuan Shih-k'ai's proposals to increase the Customs duties and to re-organise the Salt Gabelle could afford no permanent security for foreign capital under the policy pro-

claimed by T'ang Shao-yi and the chiefs of the T'ung Meng-hui, nor was there anything to justify belief that the reforms promised by the President were seriously contemplated by the Government as a whole. His speech at the opening of the Advisory Council was impressive enough[1]—but all its rare and refreshing fruit of progress had been vainly promised for years in the Treaties and Edicts of the Monarchy. Currency reform, the "employment of talented foreigners," business-like methods of Government finance, mining laws, religious toleration, industrial development, abolition of lekin —all these had loomed large on the horizon of fulfilment since the days of the Burlingame Mission. The British Foreign Office, concerned for the protection of the vested interests of traders and bondholders, came perforce to the conclusion that a return to the safeguards abandoned in 1908 must be an essential condition in all Chinese Government loans. Had it not been for the mutiny of Yuan's troops and the looting of Peking at the end of February, and T'ang Shao-yi's breach of faith on the 14th of March, that conclusion might not have been reached: but the impression created by these two events was sufficient to make further *complaisance* for the time being, at least, impossible. The investing public in England was dimly aware of the fact that the Republican Government's Treasuries at Peking and in the provinces were empty; that the revenues which formed the security for existing loans had been considerably affected by the temporary abolition of lekin and the reduction of the Opium imports, and that only a reasonable prospect of reformed administration could justify further investments of foreign capital in Chinese Government bonds. It was beginning to be realised that Young China had so far failed to produce either honesty of administration or any strong

[1] "Never before," telegraphed *The Times* correspondent at Peking, "has such an address been made to the nation by a responsible statesman." Three months later, reverting to this declaration of policy, the *North China Daily News* observed, "In the light of actual experience, it sounds like a dream: he is clearly powerless to enforce one line of what he preaches."

expression of public opinion calculated to create it. The China bond market was therefore likely to become a "bad" market unless the Government could be compelled by pressure of impecuniosity to consent to the effective control over the expenditure of loan funds. For once, the Governments of the commercial Powers were united by identical motives of enlightened self-interest, their divergences of policy reconciled in a common appreciation of the financial and economic aspects of the situation. They were speedily to learn—as will be seen—that the course of true business never can run smoothly in China; that there can be no such thing as a "purely commercial" loan to the Government of that defenceless State, and that the complexities of international finance offer no solution of the problems created by its disorganisation and inefficiency. The commercial Powers were soon to be convinced of the simple fact that a loan to China, however "purely commercial" in intention, creates vested interests—and therefore valuable political assets—for the nation whose capital is actually or nominally invested; and that the creation of such interests in desirable and annexable regions is regarded as an "unfriendly act," if not as an offence, by the "powerful neighbours," who aim at partition of the Sick Man's estate.

The united policy adopted by the "Four Nations" shortly after the declaration of the Republic, the policy enjoined upon the Banking syndicate as a condition of its monopoly of diplomatic support, was practically identical with that which Mr. Knox had proclaimed when the State Department, inaugurating its vigorous dollar-diplomacy, secured admission for American financiers within the "ringed fence," in June, 1909. Mr. Knox had declared the American Government's aim to be "to secure a sympathetic and practical co-operation of the great Powers in maintaining the political integrity of China by making it to the interests of each to support such a policy. Where nations invest their capital they are intent upon preserving peace and

promoting the development of natural resources and the prosperity of people."

"THE GREAT ILLUSION."

The sentence last quoted deserves special attention, inasmuch as it contains the germ of a widely-spread and insidious fallacy. Mr. Knox's conception of the value of international finance as a factor making for peace and goodwill amongst men, is based on that modern theory of economics which Mr. Norman Angell has so ably elaborated in *The Great Illusion*—a theory which appeals powerfully to Europe's instincts of humanitarianism, and gives comfort to those earnest philanthropists who hope to bring about the abolition of warfare. The American State Department was soon to learn, however, that this theory, and its chief conclusions, can never be universally applicable, and that, particularly in the Far East, economic interdependence in no wise serves to restrain the ambitions or to limit the aggressions of powerful neighbours. Looking at the question from the point of view of European experience and the conditions actually obtaining amongst the heavily-armed commercial and industrial nations, we cannot refuse to recognise many of the premises upon which this comfortable doctrine is based. There can be no doubt that the economic interdependence of the congested centres of European civilisation acts as a powerful restraining force, preventing sudden outbreaks of hostilities. No doubt that, as Mr. Angell puts it, "the capitalist has no country. He knows, if he be of the modern type, that arms, and conquests and jugglings with frontiers, serve no ends of his.[1]" The events which brought about the fall of

[1] Sir Robert Bredon, writing from Peking on the 19th of April to a London newspaper, observed, "The *haute finance* of the world cannot be anything but international. It would be well that bank management should realise that it is no longer national, has no patriotism, and no more conscience or

the Caillaux ministry in France have sufficiently demonstrated a truth which has its unpleasant sides. Economic interdependence, and the cosmopolitan finance which represent its denationalised interests, have assuredly predisposed towards peace the commercial Powers of the Western world, and this as a simple matter of enlightened self-interest, because the victor in a war between such Powers stands to lose quite as heavily as the vanquished.

But the manifestations of economic interdependence are not confined to London, Paris and Berlin; against its undeniable effect in preventing or retarding war (as in the Morocco crisis last year) in Europe, must be set its equally indisputable capacity for breeding strife in other directions, and for deliberately contriving the political extinction of defenceless nations. Granted, if you will, that the anguished cry of the Berlin Bourse may drown for a little while the rumble of the distant drums; granted that the voice of the cosmopolitan financier carries no little weight with Counsellors and Kings: all recent history (and particularly the history of Asia) teaches us, nevertheless, that economic pressure masquerades at times under the cloak of that "national honour" which even Mr. Roosevelt declares to be beyond the scope of international arbitration. The latest results of economic interdependence in Persia, China, Turkey, Mexico and the States of the Caribbean Sea, teach us something more; for they show that cosmopolitan finance, the fine flower of that economic *consortium* which is to give us the millennium, contains in itself more germs of unrest, more elements of strife, than all the religious disputes

sense of honour than modern business morals hold to be sufficient." British bank management has for some time shown a decided inclination to conform to Sir Robert Bredon's ideal; but so long as international finance in France, Germany, Japan and other commercial countries continues to be under Government direction for the advancement of national interests, and so long as England neglects this elementary precaution, the dangers with which cosmopolitan finance threatens British interests are many and great.

of the Middle Ages. When all is said and done, the restraining force of cosmopolitan finance amounts to this—that the denationalised individuals who dominate finance, and therefore politics, in the capitals of the civilised world, naturally subordinate all national and patriotic considerations to the promotion of their own "interdependent" self-interest; that they have learned to minimise the war risks of unprofitable competition and to increase their profitable opportunities at the expense of the unsophisticated and the weak.

INTERNATIONAL FINANCE AS A PEACE-MAKER.

Glance for a moment at the actual proceedings of the Powers which first gathered together at the Hague upon the invitation of the Emperor of Russia, to discuss the inauguration of the Era of Peace, earnest advocates all of international arbitration and the abolition of armaments. Wherever the earth still contains valuable and loosely-held property, these philanthropic Powers are steadily annexing or exploiting it for their own purposes, always in the name of Peace and in the interests of humanity and civilisation. Italy in Tripoli, France in Morocco, the United States in the Panamá region, Japan and Russia in Manchuria and Mongolia, England and Russia in Persia—everywhere we find the eternal law working itself out—the law which prescribes the survival of the fittest. And behind this inevitable process of evolution, he who looks may see, ever lurking, the shadow of cosmopolitan finance—not as the white dove of Mr. Carnegie's Peace Palace, but as a keen-eyed vulture, hungrily watching the distressed movements of sick or wounded races. Long before international finance had fashioned its delicate and most effective machinery, Ruskin wrote:[1]

[1] From *Unto This Last.*

Removing his Valuables, Tientsin, March 1912.

Photo, Camera Craft Co.

Loot and Refugees, Tientsin, March, 1912.

"It is one very awful form of the operation of wealth in Europe that it is entirely capitalists' wealth which supports unjust wars . . . and all unjust war being supportable, if not by pillage of the enemy, only by loans from capitalists, these loans are repaid by subsequent taxation of the people."

The present condition of affairs in Turkey, in Persia and in China would assuredly have afforded Ruskin a new text; for it clearly reveals international finance acting upon the enlightened principle that it is economically safer and sounder to divide the spoils of "peaceful penetration" rather than to fight for them with weapons, military or financial. The history of modern Turkey discloses, perhaps, more completely than in any other instance, the machinery by which a brave but inefficient people can be undone by the activities of the cosmopolitan financier. And to-day, China is advancing rapidly down the same path of five per cent. and destruction, threatened on the one hand by the tender mercies of the political money-lender, and on the other, by the corruption and greed of the mandarin.

For many years past, indeed, it has been very clear that the Chinese Empire must attract the serious attention of those predatory preachers of peace who sit in the high place of Europe's money-markets. For, as Reuter justly observed in a telegram describing the "Four Nations" loan negotiations at Peking, "the Chinese Government knows nothing of finance"; its present necessities are great, and its potential resources, that is to say, the collateral securities available for future distribution, are generally believed to be enormous. The carcase is large, fat and unwieldy: small wonder that there should be envy, hatred and malice amongst those who stand outside the "ringed fence" of the "Four Nations" group's Government-protected monopoly.

It is unnecessary to recapitulate here the history of international finance in China since the fateful day when Count Cassini inaugurated at Peking Russia's policy of conquest by Railway and Bank. Parts of the story have been

told in preceding chapters, regarding it from the particular standpoints of British, American or Japanese policy. It is an instructive, but a sordid tale, a tale of persistent aggression on the one hand and hopeless corruption on the other.[1] Between the exposure of China's defencelessness by Japan in 1895 and the collapse of Russia's Far Eastern Empire-building ten years later at the hands of the same conquering race, international finance served merely to cloak, with some appearance of decency, the policy of organised spoliation pursued by all the great Powers. As Michie well says :

"The scramble which moderate men had hoped to see indefinitely postponed, was entered into with the zest of a Cornish wrecking raid. The officious interference of quasi-friendly Powers to save the derelict Empire from mutilation proved, according to unvarying experience, a remedy which was worse than the disease. Russia, Germany and France proceeded to treat China as a No-Man's-Land : disintegration was the order of the day. The example was, of course, contagious. Other Powers, with no more substantial ground of claim than was afforded by the defencelessness of China, began whetting their knives to carve the moribund carcase."

Japan's victory over Russia temporarily arrested the process of territorial aggression in 1905, and necessitated a re-arrangement of the balance of power and new combinations in the field of cosmopolitan finance. But its insidious processes, working along new lines, were scarcely interrupted during the brief breathing space that followed the Treaty of Portsmouth.

RUSSO-JAPANESE POLITICAL FINANCE.

It was not long before Japan showed, by her policy of peaceful penetration in Manchuria and by the activities of

[1] The corruption of high Chinese officials has been no less notorious than that of the Manchus. It was Li Hung-chang who, at the Tsar's coronation at Moscow in 1896, sold Russia the right to carry the Siberian Railway into and through Manchuria.

her financiers in Europe, that she too had mastered all the secrets of "peaceful penetration"; the ascendency of her financial agents in official circles at Peking was more complete and less expensive than Russia's had been, and she possessed machinery which Russia had never disposed of, in the numerous Japanese military instructors, school teachers and *soshii* distributed all over the Empire. Finally, she had the alliance with Great Britain, a steadily improving position in the European money markets, and time on her side. From the moment of her coming to terms with Russia, she could look for financial support not only in England but in France,[1] so that the actual position at the moment of writing appears to be more ominous for the much-guaranteed integrity of China than it was even after 1895.

When the United States, in June, 1909, had successfully asserted rights to participation in the political financing of China, the line of action laid down by the State Department was (as I have shown elsewhere) incontestably logical and sound. It coincided, moreover, with the avowed aims of British policy, but it failed, because possession is nine points of the law of nations, and because once Russia and Japan had settled their differences and agreed upon a joint policy, neither benevolent theories nor moral principles could avail anything. When, under the "Currency Reform and Industrial Development" loan agreement of April, 1911, the "Four Nations" group obtained from China first-option rights for all future loans intended to continue or complete the development of Manchuria, American publicists, un-

[1] It is understood that, for the purposes of the "Six Nations" loan to China, Japan will borrow a large portion of her share of these loans from France, a Franco-Japanese bank being established in Japan for the purpose. Ten years ago, French *rentiers* were providing the funds to build up a Russian Empire in the Far East; to-day they are offering funds, for purposes of reform, to China, and for the maintenance of her territorial integrity; to-morrow they will be financing the development of the Manchurian and Mongolian Dependencies as Japanese and Russian territories. Herein we perceive how, *pace* Mr. Angell, "juggling with frontiers" may be made to serve the ends of the capitalist.

deterred by the fiasco of the neutralisation scheme, rejoiced at so signal a success of "dollar diplomacy." Their short-lived jubilation served merely to announce the introduction of two more partners into the company of China's actual and prospective benefactors. The fact that neither Russia nor Japan has any capital to lend, did not deter either Power from vetoing this future loan provision of the Manchurian development agreement, and claiming rights which involve repudiation of China's claim to sovereignty in that region. The signature of the "Four Nations" loan was welcomed by the "American Association of China," as relieving the fertile Manchurian provinces from foreign aggression by the "combination of four of the most powerful nations in the world becoming suddenly possessed of vested interests in that region"—a combination whose object it was "to protect a weak and embarrassed nation from avaricious neighbours." The original intentions of the American State Department, when embarking upon its adventurous course in Chinese finance, had been, firstly, to handle this Manchurian loan as a purely American business and, secondly, to insist upon the regular and honest administration of all loan funds. The first of these intentions was abandoned so soon as the risks of isolation were emphasised by the conclusion of the Russo-Japanese agreement; the second was quietly dropped when, with fuller knowledge of men and methods at Peking, the American group realised that the Chinese Government would make no loans involving effective supervision or control of mandarin expenditure, and that Anglo-German finance was not then disposed to insist upon "vexatious interference." The Currency loan, as concluded, was a melancholy monument to good intentions frustrated, for the American group of financiers speedily realised the futility of tilting at windmills, and finding their chances of profitable business incompatible with altruistic aspirations, naturally preferred the prospect of five per cent. and peace to

any doubtful policy of sentimental philanthropy and contention therewith.

As matters stand at present (October 1912), the Powers behind the "Six Nations" financial *consortium* are at one in insisting upon effective supervision of the expenditure of any foreign loans that China may contract. How long this laudable unanimity will stand the strain of international jealousies, private initiative of financiers and mandarin intrigue, remains to be seen: it is an open secret that, before joining the international group last April, and even later, Russia used every effort to persuade the French financiers to adopt an independent line of action. Similarly we know that when Russia and Japan vetoed Article XVI of the Currency loan, German diplomacy encouraged China to disregard the veto, with the object of creating difficulties between Russia and France. Finally, we know that, in 1909, Britain and France had definitely declared effective control of loan funds to be a *sine quâ non* for the ultimate security of bondholders, and that, nevertheless, this condition was not enforced in the Hukuang and Currency loans. The strength of the chain of good intentions in this matter has repeatedly proved to be no greater than that of the weakest link. So it must continue to be, and all the weight of the provinces, led by the Radicals of Young China, will be brought to bear against any form of control calculated to deprive them of the free handling of loan funds.

CHINESE LOANS; THE VITAL QUESTION OF CONTROL OVER EXPENDITURE.

Such being the actual position of affairs, it is interesting to examine more closely this vital question of "control." Advices from Peking and from the provinces indicate that, so far as the merchant class, the disinterested patriots and the older officials are concerned, the majority are in favour of a large loan being raised for purposes of reorganisation

and economic development, and that they recognise at the same time the necessity of securing its honest expenditure by measures of foreign expert supervision, of a type similar to that which has long been established with excellent results in the Maritime Customs, and in the administration of certain Railways. They realise that dishonesty and mismanagement in public affairs have been just as conspicuous since the inauguration of the Republic as they were under the Manchus at their worst, if only because the central authority has been weakened and because, as Yuan Shih-k'ai's Presidential Mandates have declared, "extortion and illegal exactions have been the order of the day, making life and property unsafe throughout the land." Against them and their opinions are ranged the loudly patriotic Press, the students and the military commanders, who perceive that foreign financial supervision means the curtailment of their opportunities. The Provincial Assemblies and many of the local gentry support this opposition, their object being to prevent the central Government from borrowing except under conditions which shall permit of the money being available for the uses (and abuses) of provincial officialdom, without supervision or control of any kind. It is the history of the Hangchow-Ningpo Railway over again. In this inveterate and self-seeking spirit of locality lies a principal cause of the permanent difficulties between Peking and the provinces; herein lay the stumbling block which overthrew Sheng Kung-pao and the Railways Centralisation scheme, and the first cause of the revolutionary outbreak in Szechuan. That there is not the slightest objection in any quarter to foreign capital, as such, is plainly proved by the suicidal loans recently contracted on their own account by several provincial authorities. The opposition of the malcontents is entirely directed against regular supervision and properly audited accounts.

The issues have been deliberately confused, for purposes of popular agitation, by extremists like General Huang

Hsing, lately Commander of the Forces at Nanking, by Sun Yat-sen's and T'ang Shao-yi's henchmen of the T'ung Meng-hui, and by their foreign adherents and advisers. They profess to base their objection against European expert accountants on patriotic grounds, continually referring to the history of Egypt and Persia as examples of the disastrous results of foreign financial control. It is undeniable that their arguments have gained force from the unfortunate association of Russian and Japanese political ambitions with the loan question; since neither of these Governments has capital to lend, the admission of their representatives to the financial combination representing the genuine interests of the commercial Powers was bound to create apprehension in the minds of the Chinese. That Russia and Japan should seize the moment of China's embarrassments to consolidate their "special interests" in Manchuria and Mongolia, was perhaps to be expected: but it was not to be expected, except by confirmed cynics, that the Governments behind the original "Four Nations" syndicate would give their sanction to a politico-financial loan of the kind created by the "participation" of Russia and Japan. It can scarcely be denied that, by becoming parties to such operations, the Powers concerned became morally responsible for the establishment of a Russo-Japanese Protectorate in the regions to the North and West of the Great Wall, and, *ipso facto* make the Treaty of Portsmouth of no effect. It is therefore not surprising that sincerely patriotic Chinese should base strong objections to the "Six Nations" loan on justifiable misgivings as to its political consequences, and this without reference to the question of foreign supervision of expenditure. Herein they differ from the baser sort of politicians, who care little or nothing as to the fate of Manchuria and Mongolia, but fiercely resent the idea of expert accountants in Chinese finance. These stalwarts, with the example of T'ang Shao-yi to encourage and guide them, prefer provincial loans at 8 per cent. (half of the amount to be spent on unnecessary arms

and ammunition, and the other half handed over without questions asked) to a Government 5 per cent. loan, accompanied by reasonable supervision of expenditure.

The merchants of the Treaty Ports and, generally speaking, the classes that have a stake in the country, are as I have said, in favour of expert supervision and honest handling of foreign loans, recognising the fact that only by these means can the money be spent to the country's economic advantage. The old style mandarins and opportunists of the classical type advocate (as usual) giving the shadow of supervision and withholding the substance by the appointment of more or less irresponsible foreign "advisers." Fatal compromises of this kind unfortunately appeal not only to the mandarin, but to the *laisser-faire* school of diplomacy and to the financier, content with the assurance of Government support and the materials for a good prospectus.

In the maze of political entanglements which beset the proceedings of the unwieldy "Six Nations" syndicate, a clear course is not easily to be found. From the Chinese, as well as from the British traders' point of view, the most natural and beneficial solution of the problem must lie in the direction of foreign expert financial supervision of *expenditure* under Chinese Government control, a simple solution, for which excellent precedents now exist in satisfactory working order. Any attempt at financial supervision of *revenue* combined with semi-political stipulations for the protection of the interest of any Power or Powers, can only make confusion worse confounded; so long as China remains a sovereign and solvent State, no good purpose can be served by proposals to establish direct foreign control of the salt *gabelle* or other sources of income. All that is required is that every dollar of loan funds' expenditure should be certified correct by a reliable and responsible European accountant.[1] If Young China cannot be

[1] This condition would probably be attained, in due course, and without friction, if a straightforward declaration were simultaneously made by the British, French and American Governments to the effect that any loan

persuaded or coerced into acceptance of this simple condition, it were better for all concerned that, for the present, there should be no further loans, or at least none for which the Governments of the commercial Powers make themselves morally responsible.

So much has been written in the European Press during the past six months concerning the inner history of the "Six Nations" loan negotiations, the part played therein by T'ang Shao-yi as Premier, and the policy of Russia and Japan before and after their admission to the *consortium*, that a *résumé* of the main facts should be of interest to the general reader. In any case, these facts are matters of history, and the development of the complex situation therefrom arising cannot fail to affect the destinies of the Chinese people, for good or evil, in the immediate future. I propose, therefore, to record the course of the loan negotiations from the date (13th of February) when Yuan Shih-k'ai was nominated First President of the Republic by the Nanking Assembly.

THE SIX NATIONS LOAN NEGOTIATIONS IN 1912.

On the 17th of February, the acting Minister of Finance (Chou Tzu-chi) inquired whether the Four Banks were prepared to finance the Provisional Government. He desired immediate advances at the rate of Tls. 6,400,000 (say £850,000) a month, half of which was to be devoted to the purposes of the Republic "in the South."

On the 27th of February, T'ang Shao-yi (who had arrived from Nanking on the previous day) met the Four Banks' representatives to continue negotiations. While nominally acting under the instructions of Yuan Shih-k'ai, T'ang assumed from the outset an independent and dictatorial

which failed to include it would not be recognised. Such a declaration would leave China free to borrow in the open market, subject always to supervision of expenditure, and would practically preclude her from incurring any heavy debts without it.

attitude; in private conversations he repeatedly declared that he would break the "ringed fence." To the Banks he outlined a vague scheme of fiscal reforms and industrial development, the results of which were to form the security for a large reorganisation loan. He suggested that the Banks should undertake to finance China to the amount of £60,000,000, in equal instalments spread over five years. He was urgent in his demands for an immediate advance to be made to Sun Yat-sen at Nanking; on the 28th of February, therefore, the Banks made a first advance of two million taels to Sun's representative at Shanghai. On the following day, the precarious nature of the Provisional Government's authority was demonstrated by the looting and burning of Peking at the hands of Yuan Shih-k'ai's own troops, an event which naturally gave pause to the financiers in Europe and America who were then considering the question of financing the Republic. The mutiny of the troops and destruction of property continued unchecked on the night of the 1st of March. On the following morning, T'ang Shao-yi addressed an urgent communication to Sir John Jordan, stating that the situation was out of hand and suggesting that the Diplomatic Body should assist in preserving order;[1] but this did not prevent him, at the same time, from requesting the Four Banks to obtain forthwith the sanction of their respective Governments to a further advance of Tls. 1,015,000 to meet the immediate needs of the Peking authorities. A week later (March 9th), the Four Governments having authorised the arrangement, the money was handed over, and letters were exchanged, embodying the conditions under which these two advances were understood to be made. Briefly stated, these conditions gave the Four Banks a "firm option" for furnishing

[1] This extraordinary request was subsequently declared by Yuan Shih-k'ai to have been made without authority. It was, nevertheless, a determinant factor in the Diplomatic Body's immediate decision to parade the city daily with a strong force drawn from the Legation Guards.

Photo, Le Munyon, Peking.

GLEANERS.

Photo, Le Munyon, Peking.

SEARCHING THE RUINS AFTER THE 29TH OF FEBRUARY, PEKING.

the monthly quota of funds which the Republican Government would require from March to August, and a conditional option on the large Re-organisation loan, which it was proposed to raise at some time between June and December. The monthly advances were to be covered, for the time being, by Treasury bills, redeemable during the year from the proceeds of the Re-organisation loan. The condition attached to the "option" on the latter was of a kind frequently introduced in Chinese agreements; it left T'ang Shao-yi free to invite outside competition, while morally binding the Chinese Government to give the "Four Nations" Banks a first refusal of all terms thus obtained. It is a condition which had proved thoroughly unsatisfactory on previous occasions, opening a wide door for chicanery and intrigue, unfair alike to the Four Banks and to their *bonâ fide* competitors. The option, being made conditional, was not an option at all, but only a source of misunderstanding and strife, as events speedily proved.

On the 11th of March, two days after Yuan Shih-k'ai had put his seal on the Note embodying these arrangements, T'ang Shao-yi applied for a further advance of five million taels, a step naturally regarded as taken in pursuance of the terms of Yuan's Note. At this point, the Four Banks met in conference at London, as the result of which their Peking representatives were authorised to agree to furnish the monthly advances and definitely to undertake the large loan, subject to certain guarantees. Amongst these guarantees, necessitated at last by the Four Nations' Governments' collective recognition of the dangers of the situation, there was to be provision for effective supervision of loan funds expenditure. This condition, fatal to the aspirations of Young China and the provinces, was uncompromisingly opposed by T'ang Shao-yi. He took strong exception also to the Four Banks' refusal to comply with his request for a sum of three million taels to be devoted to "redemption of military notes."

THE "BELGIAN" LOAN.

Acting with his usual impetuosity, and before the "Four Nations'" conditions had even been officially communicated to him, T'ang proceeded to conclude (on March 14th) with a so-called "Belgian" group, a separate agreement for an immediate loan of a million sterling, with an option for nine millions more. President Yuan formally endorsed this arrangement, and despite the protests of the "Four Nations," it was ratified in hot haste by Sun Yat-sen and the Nanking Assembly. Everything in T'ang's proceedings pointed unmistakably to his desire to obtain large sums of money at all costs, free of supervision as to its expenditure. It was immaterial to him that the rate of interest charged by the "Belgian" group was more than two per cent. higher than that at which the "Four Nations" were prepared to finance the Republic. It was immaterial to him that the Belgian Bank was acting as the agent of the Russian Government, and that the Russian Government's political aims in the matter were indicated by the nature of the security pledged—a first mortgage on the Peking-Kalgan Railway. Under the Monarchy, as Director-General of Railways, T'ang had frequently declared that China would never again pledge her railways, and especially the native-built Kalgan line, as security for any loan; yet as Premier of the Republic, he proceeded to pledge the only Railway in China which the Manchus, as a matter of State policy, had kept free of political entanglements.

I have shown in an earlier chapter by what means the financiers of Japan, profiting by the needs and greed of the Republican leaders, forced their way into the international *consortium*. It was now Russia's turn to apply her own peculiar form of pressure, and with equal success. T'ang Shao-yi's breach of faith (clearly premeditated, since he had been secretly negotiating with the Sino-Belgian Bank for over a month) afforded in its consequences a most instructive

object lesson in the facile adaptability of international finance and in some of its political under-currents. As far as T'ang Shao-yi's *rôle* was concerned, it began and ended with obtaining funds at all costs. To secure ratification of the Belgian loan by the Nanking Assembly, he led that body to believe that no money had been advanced by the "Four Nations" Banks in March and that no rights had been given to them by any form of agreement; he exposed the Republican Government to humiliating censure by the Ministers of the Four Powers and gave Russia a new starting point for encroachments on Chinese territory.[1] Telegraphing to Sun Yat-sen for the information of the Nanking Assembly, on the 16th March, he observed that "as the provinces of Mukden, Shansi, Shensi, Kansuh, Honan and Kuangtung are all clamouring for funds, and as the Four Powers group only allows Tls. 6,400,000 per month for five months to come, it is not enough and therefore this special loan is needed." It was passed by the Assembly; the "Belgian" group paid over its first £970,000, and within a month T'ang Shao-yi was being violently denounced at Peking and at Nanking for misappropriation of funds from the loan and from the "Four Nations" advances. Nevertheless, scarcely one of the Treaty Port journals commented on the fact that the Premier of China was deliberately injuring the good name of the Republic and the financial credit of the country by his reckless and indiscriminate methods of money raising.

It is unnecessary to relate in detail the further history of the Belgian loan. By the end of April the financiers had found a way out of the difficulties thereby occasioned; Russia had been admitted within the *consortium* fold; the Chinese Government had agreed to cancel the Belgian

[1] "The action of T'ang Shao-yi," said *The Times* correspondent telegraphing from Peking on the 21st March, "is generally condemned at Peking in strong terms as adding to the country's difficulties by making enemies of powerful Banks, and exposing the President to the annoyance of a protest from the Foreign Ministers."

contract, as a violation of the undertakings given by the President to the "Four Nations" Banks on the 9th March—and T'ang Shao-yi was prepared to resume, with unruffled serenity, his negotiations for further advances. He now informed the International Bankers that his immediate requirements were 35 million taels, most of which was to go towards paying off disbanded troops (alleged to number 850,000) and the redemption of "war notes." The obligations of the Revolutionary leaders included, *inter alia*, payment for 1,400 German machine guns at £500 apiece, landed at Shanghai and never used. The necessity for "stringent foreign supervision" was becoming daily more obvious.

Russia's political finance at this juncture, however, proved unusually interesting. Early in February, the Russo-Asiatic Bank, financial agents of the Russian Government in the Far East had negotiated a loan of £1,500,000 with the Nanking revolutionaries, money which it was understood was to have been supplied through the house of Schroeder and Co. of London and the Banque d'Outremer of Brussels. But the Russian Government had in the meantime joined the other Powers in their declaration of benevolent neutrality, and this loan to the Republicans was therefore abandoned. Nevertheless, and despite the fact that negotiations for the admission of the Russo-Asiatic Bank to the "Four Nations" group were then proceeding, the so-called "Belgian" loan of the 14th March was actually a Russian undertaking, political in its origins. The Peking representative of the Russo-Asiatic Bank stated openly at the time that, although the Belgian Bank had been put forward to sign the agreement, he had in fact negotiated it himself under instructions from the Russian Minister of Finance—methods curiously reminiscent of Russia's first Pavlov-Pokotilov era of conquest by Bank.

On the 2nd April, Mr. Odagiri, representing the Yokohama Specie Bank, designated by the Japanese

Government, was formally admitted to the negotiations and business of the International group of financiers. On April 24th, the Russo-Asiatic Bank at St. Petersburg notified the "Four Nations" Banks that it had been appointed "to represent the Russian Government in undertaking a participation with the other Powers" in the Chinese Re-organisation loan and advances.

Both the Russian and Japanese Governments accepted the "Four Nations'" invitation "to participate in the financing of China," on the basis of equality and on condition that the loan funds should not be expended in such manner as to prejudice their respective "special rights and interests" in Mongolia and Manchuria, Russia seizing the opportunity to adumbrate special rights also in "Western China." The British and American Governments, in instructing their respective financial groups as to their line of action, intimated their willingness to accept the Russian and Japanese stipulations, so long as they referred to no special rights and interests other than those defined by Treaties and Conventions concluded between those Powers and China. This decision marks an important stage in the Russo-Japanese advance, for it is to be observed that, for the first time, the *consortium* of international finance at Peking was framed to include individuals definitely recognised to be representative of their respective Governments, and not merely of financial institutions.

THE LONDON CONFERENCE.

A conference of the six groups of financiers was arranged to meet in London on the 15th May. In the meanwhile, their representatives at Peking were authorised (May 4th) to advance the sums urgently needed by the Chinese on the condition that satisfactory guarantees were given that the funds would be properly expended. On the 12th of May, the Chinese Government consented to an arrange-

ment by which the bondholders' interests would be protected by the appointment of a foreign Auditor, to act jointly with a Chinese official Auditor [1] in signing requisitions on loan funds, and by certain stipulations as to the methods to be adopted in paying off disbanded troops. The "Four Nations" financiers professed (despite all experience to the contrary) to consider this arrangement satisfactory, and the Foreign Offices were apparently content to accept their guidance in this vital matter. Had Russia and Japan been concerned with business and not with politics, the question of China's loans would probably have been settled, for the time being, at this stage. But it was not to be. The conditions actually named by the new partners in the *consortium* not only introduced political complications of a far-reaching description, but even threatened to disturb the "ringed fence's" financial arrangements on the London and Paris money markets; to poach, in fact, on the officially protected preserves of the "Four Nations" Banks. The political drawbacks might possibly have been overcome, for they concerned only China's sovereign rights over her northern and western Dependencies; but conditions which infringed on the financial privileges and profits of the protected groups could not be tolerated.

The "Six Powers" conference, held in London on the 15th May, failed, therefore, to come to an agreement with the Russian and Japanese delegates. The points of difference

[1] The Auditor nominated by the Banks was Herr Rump, hitherto known as Auditor of the German section of the Tientsin-P'ukou Railway. As an indication of the nature of the security likely to be conferred under this arrangement, the appointment was ominous, for the auditorship on this railway had proved worse than useless as a preventive of official peculation. Telegraphing on the 16th July, 1909, *The Times* correspondent reported: "There is much scandal regarding land frauds and squandering of loan funds in connection with the German section of the Tsientsin-P'ukou Railway. The Chinese managing director has been removed, but no one else has been punished. The revelations are significant because they support the view widely held that the agreement does not adequately safeguard the expenditure of the foreign loan funds."

are worthy of notice, for they throw an instructive light on several aspects of international finance applied to practical politics.

The Japanese Government required that a specific agreement be recorded, providing that the proceeds of the Re-organisation loan should not be expended in Manchuria and Mongolia ; but the Banks, on their side, could not go beyond an agreement which would exclude purposes prejudicial to the "special rights" of Japan in that region, where defined by Treaties or recognised by the Treaty Powers. The political objects underlying Japanese participation in loans (for which she had no capital to offer) were thus plainly manifested. The Japanese Bankers, moreover, in their financial capacity, insisted on reserving rights to transact loan business with Chinese Companies independently of the International groups, and to issue their share of the Re-organisation loan in London, not through the agency of the British group, but through their own London branch.

The Russian Government made stipulations practically identical with those of the Japanese and, as regards the flotation of the Re-organisation loan, insisted on its right to issue its share of the capital in Paris and London not through the French and British groups but through the syndicate which had negotiated the "Belgian" loan with T'ang Shao-yi, a proposal obviously prejudicial to the Banks' local interests. Failing to agree to these terms the Four Banks continued to finance the Chinese Government, under the conditions accepted on May 12th, authority being given for further advances to a total of six million taels between the 15th and the 24th May.

RUSSIAN INFLUENCE ON THE FRENCH BOURSE.

Had the Governments and financiers of the Four Nations maintained a solid front at this juncture, the Chinese financial problem would probably have been solved, and the political

ambitions of Russia and Japan postponed, at least for the time being. But at this point the whole weight of Russia's far-reaching influence on the French money market was brought to bear, with the result that the French Government used its control of the Bourse to prevent participation in any further advances to China pending further efforts to come to an understanding with the Russians. However great the French Government's sympathies with the policy pursued by Great Britain and the United States, it could not afford to risk a quarrel with a Government so deeply in its debt as the Russian. The attitude of France was obviously that of an anxious creditor. To terminate the deadlock thus created, a further conference of the "Six Nations" financiers was arranged, and held in Paris on the 7th and 8th June. As regards Manchuria and Mongolia, it was finally agreed that the proceeds of the Re-organisation loan should be devoted to the "general purposes" of the Chinese Government, leaving special enterprises for separate consideration. Subsequently, however, Russia and Japan formulated identical declarations, to the effect that they would only participate in the proposed loan on the understanding that nothing connected therewith should operate to the prejudice of their special rights and interests in the regions of Mongolia, Western China and Manchuria. It was evidently not within the scope of the Four Banks' powers to accept or even to consider such stipulations, and the deadlock therefore continued. Meanwhile, the Chinese Government was clamouring for further advances and threatening to borrow elsewhere.

It was understood at this time that the Japanese Government adopted the course of making certain direct suggestions to the British financiers in regard to the political and financial status of Manchuria and Mongolia. Eventually, at a final conference, held in Paris on the 18th June, it was finally decided to conclude a "Six Nations" agreement on the understanding that each group would consult

its Government, before the conclusion of any loan, and would not entertain any business to which its Government might object.

The Russian Government, while approving the general tenour of the Banks' agreement, subsequently intimated that, in the event of its disapproving any of the purposes for which it was proposed to lend money to China, the Russian group should be entitled to withdraw from the agreement and resume complete liberty of action. This stipulation was accepted by the Bankers of the "Four Nations" group making a virtue of necessity. It was manifestly plain that French finance—a dominant factor in the situation—was at the disposal of Russia's new political ambitions and equally evident that, in the event of France withdrawing from the "Six Nations" *consortium*, it would be impossible for British and American financiers to face the political opposition of Russia and Japan, backed by French capital.

THE SIX NATIONS "CONSORTIUM."

The "Six Nations" agreement, as finally concluded, suggests several interesting reflections. Firstly, that the Powers without capital to dispose of, but with an aggressive policy backed by material force, are able completely to dominate the counsels of that international finance which ostensibly represents the interests of the Commercial Powers. Secondly, that the attitude frankly adopted by the representatives of the Russian and Japanese Governments, and tacitly accepted by the Governments at the back of the "Four Nations" Banks, amounts to a complete and categorical denial of the sovereign rights of China in Manchuria and Mongolia; that is to say, that the Powers concerned, under the thin cloak of financial operations, have deliberately acquiesced in annulling the Portsmouth Treaty, the avowed objects of the Anglo-Japanese Alliance, and the

principle of the open door and equal opportunity. Finally, as matters stand, the banking agreement sanctioned by the capitalist Powers gives to the two Powers who have no capital to lend a virtual right to veto any and every attempt to assist China in the development of her economic and material resources.[1]

The reader must draw his own conclusions from the facts of the situation. Looking at the question from a purely British point of view, it would seem to be conclusively demonstrated that the avowed objects of Great Britain's policy in the Far East are not likely to be attained by confiding them to the direction of the financiers whose immediate interests may lead them at any moment to acquiesce in political schemes diametrically opposed to those objects. England and France practically control the international loan market: but the strength of their position is wasted under existing conditions, for the want of a common policy based on intelligent anticipation of events, and because the political finance of both nations has become in a great measure denationalised.

[1] On the 9th of October, 1912, Mr. Acland, replying for the Government to questions in the House of Commons, defended the "monopoly of support" extended to the "Six Powers" syndicate of banks on the ground that it was most advantageous for the representatives of the Powers to act in concert to prevent loans from individual groups, *which would be used to obtain political advantages for particular countries as against the general advantage of China herself.* The reader must judge for himself whether this is naïvety, sheer ignorance, or party politics.

On the 24th of October, Mr. N. Craig asked the Foreign Secretary "whether it was in the public interest to withhold information of transactions which tended to create a monopoly, and would undoubtedly affect British interests."—To this Sir Edward Grey is reported to have replied "that there were no political conditions" attached to the secret conditions of the Six Powers groups.

CHAPTER XIV

THE YELLOW PERIL

It is a poor bogey at best, this Yellow Peril, bred by ignorance out of a bad national conscience: a bogey that must stand confessed a tatter'd boggart in the light of ancient history and recent experience: yet a phantom that has served, and should serve again, many a politician's turn. The modern world fears, even while it seeks, these grisly phantoms which make its comfortable flesh creep, and in the Yellow Peril the fervid imagination of yellow journalists has found a perennial source of thrills and shudders. Preaching from the text of Japan's military achievements, they have assumed for all Asia a vivifying community of interests and ideals, attributing to the patient pacific millions of India and China a sudden and complete change of all their inherited tendencies, beliefs, and institutions. They forget that these inherited customs and beliefs constitute the very soul of a people, the essence of its national life; they ignore the fact that the Spartan qualities of endurance and energy which animate the statesmen and warriors of unconquered Japan, are the ripe fruit of long centuries of training and sustained ideals; and, forgetting these truths, they hear, in the intellectual and emotional ferment of India and China, the rumble of the distant drums that shall lead new conquering hordes to the overthrow of Europe's civilisation. Not from the barren mountain-lands of Turkestan and Manchuria, as of old, are to come the fierce invading hosts, but from the

long-gowned peaceful peoples of the great plains, from those races whose philosophy and ideals have made them, through long centuries, the unresisting victims of invasion and tyranny. It is a fantastic dream, reflecting, no doubt, the eternal and unbreakable spell of the Orient over the West, the unconscious reverence that materialism pays to intellectual dignity, but wholly lacking, nevertheless, in historical sense and recognition of fundamental conditions. For it is impossible, considering the actual and historic facts of Asiatic life, to assume for the East that unity of purposes and ideals which is the basic assumption underlying the Yellow Peril: as impossible as to imagine an effective coalition of Western Europe against North or South America. The stern law of nature and evolution, which prescribes the survival of the fittest, is not suspended in Asia; there are predestined hewers of wood and drawers of water amongst its peoples to-day as in the time of Joshua—a fact emphasised by the recent history of Korea. Neither patriotic student, politician nor fervent idealist can take from Asia, by any incantation of new formulæ, her deep-rooted instincts and beliefs, bred of long centuries of isolation, of the Confucian philosophy and Buddha's contemplative creed—instincts and beliefs that have made the whole inspiration of Oriental philosophy and civilisation essentially non-aggressive, and have made the Chinese, in particular, a race of passive resisters. Neither warrior class nor code of chivalry exists in China, like that of *bushido* in Japan, to temper the hereditary servility of the masses with precepts and examples of loyalty, valour and endurance; and the recent manifestations of political and social unrest amongst the educated classes reveal but little hope of national unity and cohesion for the future. By all precedents and principles of history, it must require several generations of patient educative process to develop in the Chinese people the qualities requisite for military and administrative efficiency.

The Manchu tribute-eaters have gone their ignominious way to obscurity; Sun Yat-sen and his following of book-taught theorists have proclaimed the dawn of a new era in the Chinese Republic; and already, amidst the tumult and the shouting of leaders who have not learned to lead, the North is ranging itself against the South in rivalry, whilst Mongolia looks towards Russia for protection, Thibet casts off her allegiance, and Manchuria prepares to follow Korea on the path of geographical gravitation.

Nevertheless, and in spite of all these things, the Yellow Peril bogey continues to oppress the imagination of the Western world: this persistent vision of the Chinese race, roused from its long lethargy, and feverishly arming itself for wars of conquest and revenge. It is a ghost that refuses to be lightly laid. Only a few months ago the British Press, gravely discussing the decision of the National Assembly at Nanking to introduce national conscription (they might as well have decided to introduce the minimum wage), estimated China's standing army of the near future at forty millions of men. Some of the most critical and competent of recent observers have succumbed to this obsession, and to that tendency towards generalisation which seeks a common battle-cry for India, China and Japan. Professor Reinsch, for instance, whose scholarly work on "The Intellectual and Political Currents in the Far East" deserves more than passing attention, has studied the history and literature of China sufficiently to realise and to declare that "no more fantastic idea has ever played a part in serious politics than that of the military Yellow Peril." He knows that "the traditional temper of the Chinese is eminently pacific and quietist." Yet he apparently ignores the results which follow naturally from the emotional and idealistic qualities of this word-spinning people—qualities which greatly detract from the ostensible importance of its Imperial Edicts and other official pronouncements. Because of the vigorous wording of the Edict of April, 1911, on military reform,

he is led to believe, in spite of his own convictions, that:

> To-day we are witnessing the awakening of this vast people to new energies and to more active conduct of affairs. Peaceful China, the land of non-assertion, is fast becoming military. The ideal of national energy, efficiency and strength expresses itself in all public utterances. Great sacrifices are made for military preparation, and throughout the provinces even the children in the schools are put into uniforms and trained in soldierly fashion,

and, in another place, that

> The idea that evils are to be borne, or at most resisted quietly, has largely passed away, and in its place has arisen the belief that only through positive heroic action can the troublesome problems of national life be solved.

At a time when the masses of the Chinese people have submitted, with traditional apathy, to being harried, plundered and slaughtered by the forces of that Republic which delivered them from Manchu tyranny, the irony of this infectious idealism is apparent. Fascinated by the spectacle of the splendid enthusiasms and iconoclastic seal of Young China, Professor Reinsch, like many others, forgets the vast gulf which, in this land, divides words from deeds —the making, from the keeping, of laws. And so he believes in the vision of a national army, efficiently organised and regularly paid—a vision as chimerical as the scheme for refunding China's national debt by patriotic subscriptions, or the Nanking Amazons' demand for female suffrage.

In expressing this opinion, I have no desire to convey the idea that the Chinese are utterly deficient in military virtues, or that, properly led and regularly paid, the Chinese soldier is incapable of bravery, endurance and discipline. The experience and opinions of British officers and military

Army Manœuvres, 1908. Balloon Section.

Fleet of Junks, armed with Hotchkiss Quick-firing Guns, assembled to suppress Mutiny at Ngankin, November, 1908.

critics is practically unanimous in recognising that in physique, intelligence and courage of a stolid kind the peasantry of several provinces provides excellent material; but just as it requires something more than intelligence and enthusiasm to make an efficient administrator, so something more than able-bodied and adaptable men are needed to make a nation in arms. The qualities lacking alike in Chinese administrators and soldiers are essentially moral qualities. This is what Gordon meant when, fifteen years after his unique experiences as a successful organiser and leader of Chinese troops, he recorded (in a memorandum prepared for the Government at Peking) his deliberate opinion that they could never be successfully pitted against European armies. He who had witnessed much desperate fighting between Imperialists and rebels—much the same kind of fighting as was seen at Wuchang in November last —realised, nevertheless, that the race as a whole, and particularly its leaders, are lacking in the moral qualities and berserker instincts that distinguish a fighting race. When, in 1874, he warned China against going to war with Russia, he amplified his advice by recommending that for the future she should avoid incurring useless expenditure on warships and guns, because her possession of these things would probably arouse the cupidity of aggressors and she would be despoiled—advice of which China has since had cause to appreciate the wisdom. Gordon knew the Chinese soldiers of the South, even as the British officers of the Wei Hai-wei regiment learned to know and to appreciate the hardy hill-men of Shantung; but while appreciating their several good qualities and recognising the possibility of their development in good hands, he failed to see in the Chinese dragon any signs of the fierce and formidable beast which has since been evoked to trouble the peace of the West. He knew that large purchases of armaments and paper schemes of reorganisation do not make a national army, and that fiscal reform (then, as now, a task beyond the unaided

resources of China's rulers) must precede military efficiency. This indeed was the opinion formed by the most competent observers among the military attachés who witnessed the last manœuvres, held in the autumn of 1908; and it has been justified by the complete lack of discipline and organisation revealed since the collapse of the Manchus. It would be difficult to say how much of the regular army remains at the present moment of the 240,000 men who figured on the roster of the thirty-six divisions of the Lu Chün in the autumn of 1911. At the outset, divisions, brigades, regiments and battalions became hopelessly entangled—sheep without shepherds. Units were sent to the front and wandered back to their headquarters; some were disbanded, others disbanded themselves; some declared for the Republic, some for the Imperial cause, others for Yuan Shih-k'ai or Li Yuan-hung, or General Chang, or General Li, their choice depending generally on prospects of pay; but to all, as time went on, came realisation of the fact that every body of armed men might with impunity hold lootable cities and citizens at their mercy. And with this knowledge, the army and the military police became, in many places, a disorganised and predatory rabble. The craze for loot proved stronger than any appeal of patriotism or discipline.

The tendency to exaggerate the military forces and efficiency of China in recent years may be traced to a variety of causes.[1] Of these, the most important lay originally in the deliberate policy of Chinese diplomats and officials, a policy clearly intended to create and maintain the idea of China feverishly arming on a gigantic scale, with a view to the intimidation of possible aggressors. With the dramatic conversion of the Empress Dowager to reform in 1902, and the appearance on the scene of a new class of military officers

[1] The population of China has been similarly exaggerated. It is continually stated to be 400 millions, though the only attempt at a systematic census (1910) shows it to be about 320 millions.

educated in Japan, serving in their turn as instructors, it was not difficult to increase the foreign-drilled forces of the Empire, actually and prospectively, so as to give colour to the belief that the Chinese military administration was rapidly approaching the European standard. Fired by enthusiasm for Japan's victories over a great European Power, Chinese patriots and officials spoke cheerfully of the enrolment of a standing army of two million men within the next few years, and European publicists, fascinated by the vision of the awakening giant, took up the text and illuminated it with much fervour. "Putnam Weale,"[1] writing in 1905, while admitting the absence of competent leaders and healthy finance, expressed belief in the "wholesale reorganisation and re-armament of the Chinese army," and foretold that in five years China would possess an effective peace-footing force of 360,000 men, and by 1915 would be able to put a million and a half into the field. "In ten or fifteen years," he said, "Japan's forces would be so outnumbered that she would not dare to attack her big neighbour." Four years before, Sir Robert Hart, anxious to make for China friends of the Mammon of political unrighteousness in the matter of the Boxer indemnity, had drawn an even more sensational picture of the awakened giant. "In fifty years' time," he declared, "there will be millions of Boxers in serried ranks and war's panoply at the call of the Chinese Government."[2] This picture appealed forcibly to the Wagnerian imagination of the Kaiser, who saw, in the coming invasion of Mongol hordes, a Heaven-sent opportunity for the War Lord to lead the embattled hosts of a European coalition, with Germany at its head. Small wonder if the man in the street became impressed with the reality of the Yellow Peril.[3]

1 "The Reshaping of the Far East," vol. ii. Macmillan. 1905.

2 "These from the Land of Sinim." Chapman and Hall. 1901.

3 Since this was written "Putnam Weale" in the *Daily Telegraph* predicts new developments of the Yellow Peril: he sees, in the near future, China militant lodging "peremptory ultimatums" at the Foreign Offices of Portugal and Holland, and Chinese squadrons, cleared for action, in the

Since her war with Japan, and particularly since the conclusion of the Russo-Japanese agreement which foreshadows the partition of China's northern territories, Russia has repeatedly professed increasing anxiety in regard to China's military preparations, and to the increasing numbers of Chinese colonists in Mongolia. Her apprehensions of the Chinese Peril are, no doubt, to some extent sincere; the Ministry of War at St. Petersburg in the autumn of 1910 recommended vetoing China's proposed construction of the Chinchow-Tsitsihar-Aigun Railway, as well as the alternative Kiachta-Urga scheme, on the ground that China would derive therefrom strategical advantages seriously menacing Russia's position. How far these fears were shared by the Council of Ministers it were hard to say; but there has been ample evidence of a chronic condition of nervousness existing amongst the Russian military authorities in Siberia and Manchuria, nervousness of the unreasoning kind which led to the Blagoveschenk massacre of helpless Chinese in 1900, and to the Dogger Bank panic in October, 1904; caused, no doubt, by the instinctive idea that what one Asiatic race had done another may do. On the other hand, it must be borne in mind that Russia's forward policy in Manchuria after 1900 was persistently justified to the world by alleged fears of dangers from Hung-hu-tzŭs, and her present attitude in regard to Chinese loans points to a recrudescence of that policy, facilitated by her understanding with Japan. It is improbable that either country really believes in the possibility of Chinese aggression, and their concerted objections to the "Four Nations" loans may therefore safely be ascribed to a desire to prevent the creation of foreign interests in Manchuria, rather than to any genuine fear of Chinese armaments.

Of Russia's foreign policy, ever influenced by the

harbours of their "Eastern dependencies." One wonders whether Admiral Sah will be in command of these squadrons, and to whom he will apply for rice, coal and ammunition.

imaginative impulses and emotions of the personal equation, it is difficult to speak with any degree of certainty, but of Japan it may safely be asserted that no real apprehensions exist in that country with regard to China's alleged development of military strength. With eyes and ears wide open in every province, Japan's trained experts, military and commercial, can be under no delusions. In the long run, Japan, more than any other Power, stands to profit by China's internal dissensions and helplessness; her policy in Manchuria has steadily reflected recognition of this obvious truth. At the same time, so long as maintenance of the integrity of China remains the ostensible purpose of the Anglo-Japanese Alliance, and so long as Japanese finances remain in their present condition, it behoves her to walk warily before the world: Russia, therefore, is induced to take the lead in proclaiming the right of China's nearest neighbours to supervise her borrowing activities and to limit her armaments.

Considering Russia's professed anxieties in the light of the actual situation at Peking and in the provinces, her diplomacy assumes a somewhat elementary aspect. Let us consider briefly the significance of that situation. The newly-elected President of the Chinese Republic, himself a declared Monarchist by conviction, has suffered the humiliation of seeing the capital looted by the very troops whose discipline and organisation have been continually cited as the best proof of China's military progress, the men whose unswerving loyalty to Yuan Shih-k'ai had been assumed by nearly every European writer. The looters having vanished with their plunder, some semblance of order was restored at Peking, not by the foreign-drilled troops of the Lu Chün, but by the tribute-eating Manchu regiments whom the experts professed to despise. The spectacle of the President of the Republic suppressing the lawlessness of Chinese mutineers by the aid of Manchus and Bannermen is in itself sufficiently indicative of the chaotic condition of

Chinese politics; but an even more significant sight was seen when, on the occasion of Yuan's returning the British Minister's congratulatory visit, part of the route from his residence to the Legation was guarded (at his request) by British troops, no Chinese being allowed to stand outside their houses. Yuan subsequently expressed his gratitude to the Foreign Ministers for their action in organising patrols of European troops to reassure the plundered and terror-stricken citizens. Significant, too, of the opinion in which foreign and Chinese troops respectively are held by the average mandarin, is the fact that the Legation quarter has become a common sanctuary and treasure-house for the highest officials, Manchus and Chinese alike, seeking the protection of the foreigner against the Yellow Peril of their own creation. In the same way, Hongkong and the foreign Settlements at Shanghai have become a safe place of refuge for thousands of Chinese who, when order is fully restored, will join once more in the patriot's agitation for the restoration of China's "sovereign rights" in the Settlements, and the abolition of extra-territoriality.

It is difficult to form any concise opinion of the fighting qualities, organisation and *moral* of the Chinese Army from the accounts given, principally by journalists resident at Peking, of the fighting between Imperialists and Republicans since last October, partly because these accounts are usually of Chinese origin, and partly because of the observers' bias of foregone conclusions. Descriptions by eye-witnesses of the fighting at Nanking and Wuchang, published for the most part in the *North China Daily News*, are more illuminating. But to get a comprehensive idea of the actual situation and to appreciate its bearing on the question of China's possible development of military efficiency, one must read the accounts, published week by week in that paper, from missionaries and other correspondents resident in the interior. These writers naturally present the scene from many different points of view, and their conclusions vary

Rebel Recruits at Hankow.
(N.B.—These men still wear the queue.)

from sympathetic optimism to the deepest pessimism: but the general impression which they create is, that the Chinese Army of the present and immediate future constitutes a serious menace to China's own well-being, but little or none to her external foes. In the sense that China's weakness and disorder are a source of danger to the world, her undisciplined and loot-hungry mobs of soldiery constitute indeed a Yellow Peril and of late, with the disappearance of constituted authority and the loosening of the old ethical restraints, the army has realised its opportunities and its power.

Of the fighting qualities of the rank and file, of their powers of endurance, bravery and occasional *élan* of enthusiasm, there is ample evidence; but for proof of scientific organisation, of efficiency, cohesion, *esprit de corps*, and trained intelligence amongst their leaders, we seek in vain. Here and there, amidst the mass of cowardly, corrupt or incompetent officials, we find capable and brave men like Li Yuan-hung, the Revolutionary leader, and General Chang Hsün, the Imperialist Commander at Nanking. The latter appears, indeed, to be a fighting man of the stamp of Tso Tsung-t'ang; yet even his martinet authority proved insufficient to prevent his troops from looting the city of Hsüchoufu. But the number of energetic and efficient leaders has been insignificant, and their example has completely failed to stem the tide of general demoralisation. Even at Nanking, where the loss of life on both sides was comparatively heavy, it was the rank and file who fought bravely, most of their officers displaying gross cowardice and incompetence. Repeated instances occur, in authentic reports from the provinces, of officers of the regular and militia forces using their positions for purely selfish ends, or lending themselves to the purposes of politicians and student agitators.[1]

[1] The case of General Chang Chen-wu, beheaded by order of the President last August for plotting against the Republic, is instructive. He was in

The military profession is no longer a thing of reproach in China ; to be a soldier, as times go, is to enjoy opportunities which appeal to every man with predatory lust or instincts of self-preservation. Therefore it is that everyone wears a uniform who can, and the number of irregular troops and police claiming arrears of salary is not likely to diminish, despite the advances of foreign capital made to secure their disbandment. It is not pleasant to contemplate the prospects that, under these conditions, confront the defenceless traders and peasantry of the interior. With the disappearance of the Throne's traditional authority the *penchant* for loot has become endemic and its gratification a habit ; from all parts of the country last winter came the same tale of the systematic and business-like despoiling of peaceful citizens by licentious soldiery, and we shall hear it again. Peking, Tientsin, Paotingfu, Hangchow, Soochow, Canton, Ninghsiafu, Taianfu, and many other cities suffered, without resistance, all the pains and penalties of civil war. From Sianfu came one of the most astounding of all these pitiful tales of unrest. Telegraphing on March 22nd, Reuter reported that the Kansuh Army (Loyalist Mahomedan troops, under General Sheng Yün, professedly marching on Peking to restore the dynasty) had arrived at Sianfu, the capital of Shensi. The Chinese garrison of Republican troops, "fearing that the Mahomedans would loot the city, began looting it themselves ; whereupon the Mahomedans retired." Yet these are the forces whose pay is to be provided, for the salvation of China, by means of huge foreign loans ! And while these things were taking place all over the country, the National Assembly continued solemnly to proclaim the advantages of Republicanism, and Self-governing Societies in every

command of the regular Hupei troops which mutinied and murdered the Viceroy Tuan Fang in Szechuan. After the Revolution he took to plotting on his own account, and one of the principal charges brought against him by Li Yuan-hung was that he had embezzled vast sums of money entrusted to him for payment of the troops.

provincial capital discoursed of progress and prosperity. Despite its dominant note of grim tragedy, the situation was not devoid of humorous aspects.

Considering the question of the Yellow Peril, however, as a matter ultimately dependent upon the military instincts of the Chinese people, it is interesting to observe that, in the opinion of experts, the balance of efficiency and courage rests so far with the Northern troops. Had it not been for the inefficiency and vacillation displayed by General Yin Chang, Admiral Sah, and by the high authorities at Peking; had the Imperialist troops been allowed to follow up their first victories, it is fairly certain that the rebellion in the Yangtsze provinces would have been quickly stamped out; but incompetent or disloyal leaders, truces, delays, and the ignominious withdrawal from Wuchang, led to discouragement and the rapid growth of indiscipline and lawlessness.

A noteworthy feature of the fighting at Nanking was the superiority of the Shantung and Chihli men as compared with the Hunanese regiments of the Imperialist forces. Many competent critics in recent years have been led to the conclusion that the high military reputation of the Hunanese was founded rather on noisy professions than on any performance of valour. I remember discussing in 1902 the business of warfare with a Hunanese private of the garrison of Shanhaikuan, and his frank declaration that the profession of arms was well enough in times of peace, but that no sensible man would incur serious risks of being killed on a salary of fifteen shillings a month. An eye-witness of the fighting which took place during the investment of Nanking in November last tells a tale which shows that this worthy man's opinions were not an isolated instance of discretion, and that the average Hunanese has no desire to go to his grave for any fantasy or trick of fame. The batteries on Tiger Hill, manned by Hunanese Imperialists, had for some time been engaged in an artillery duel with the Republicans on Lion Hill, without apparent damage to either side.

Inquiries into the cause of this futile expenditure of ammunition elicited the following explanation, which may well be given in the correspondent's own words :—

It appears that the Imperialist artillerymen on Lion Hill were also men from Hunan, and that after the capture of Tiger Hill by the Republicans a mutual agreement had been come to by the men in the two forts that neither party would materially damage the other. Accordingly, for some days the shells went wide, some short, into the hillsides away below the guns, and some high over the top of the crests. Then one day the Imperialist General, Chang Hsün, was watching the shooting in person from Lion Hill, and by the evidence of his own eyes grasped the fact that something was wrong. The range was a comparatively easy one of 3,800 yards, and instead of nearly every shot being a hit, as it should have been at that distance, very few of them were going anywhere near the target at all. Without more ado, Chang Hsün threatened to decapitate two of the eight-inch gun-layers there and then on the spot, and he promised that divers still worse penalties should follow for the remainder if the shooting didn't improve forthwith.

So it came about that, in order to save their necks, the gunners on Lion Hill began to make things unpleasantly hot for their fellow-provincials on Tiger Hill, with the result that the latter, thinking that they had been grossly deceived by their friends the enemy, began in their turn to shoot as straight as they knew how. This state of affairs continued for the best part of a day, until the true reason for the apparent defection of Lion Hill was brought in by spies.

Thereupon through the same agency a new scheme to prevent mutual injury was devised. It was simply that a defined interval, said by the men to be about a minute of time, should always be allowed to elapse between the firing of a gun and the answering shot from the other side. This would give ample time for the crew of the gun which had last fired to clear out of harm's way downstairs into the bomb-proof shelter below the concrete emplacement. Honour and General Chang Hsün would seemingly thus be satisfied, and all chance of unpleasantness, which neither

party in the least desired, would thereby be avoided. Apparently the plan worked well, as after its adoption no casualty occurred on either side.

On the other hand, the Chêkiang regiments which took the leading part in the Republican assault and capture of Purple Mountain, showed a fine courage. Yet these same troops, upon their return to Hangchow at the end of March, mutinied and threatened to burn their General's yamên.

Every day's experience of the Revolutionary movement has justified the conclusion that the Chinese, as a race, retain their instinctive aversion to fighting for fighting's sake, although, given good leaders and stern discipline, the inhabitants of certain regions (notably hill-men) are capable of making good troops. Every day's experience has shown also that many long years of educative processes must elapse before the nation can produce the leaders and the spirit of discipline to make the Chinese army the formidable host of the Yellow Peril prophets. A new spirit has been aroused, beyond all question, amongst the educated classes of China; a spirit of vigorous, almost defiant, nationalism, which chafes under China's humiliations; which seeks, through political and social reforms, to put from her the reproach of weakness; but, in the absence of an organised, self-respecting and productive middle-class, there can be no immediate prospect of their attaining the height of their ambitions or the fulfilment of their dreams. Intellectual activity of no mean order is theirs, and many good qualities; but the moving spirits of the present unrest have failed collectively to display the discipline, constructive ability and personal integrity requisite for efficient organisation of the body politic. In the present ferment of iconoclasm, and all its resultant lawlessness, lies the real Yellow Peril—for a weak and disorganised China means the danger of chronic unrest in the Far East.

Another, and equally real, Yellow Peril lies in the pressure

which these millions of thrifty, patient toilers, inured to the sternest privations, threaten, sooner or later, to bring to bear upon the economic and industrial equilibrium of the Western world. Throughout their long history the Chinese have seldom been obsessed by dreams of expansion and conquest, but they have repeatedly denationalised and overcome their conquerors. Their ready adaptability to environment, untiring industry, skilled craftsmanship and unconquerable power of passive resistance have never been equalled by any race of men, unless it be the Hebrews. America and Australia have felt, and guarded themselves against, the menace of this pressure of seething humanity. Its effects, and the hopeless inferiority of white men against yellow in the grim economic struggle for life, may be seen to-day in the Straits Settlements, the Dutch Indies, and the islands of the South Seas, in the Treaty Ports of China, and the Russian railway towns of Manchuria. Where white man and yellow live and work side by side, the balance of economic power passes slowly but surely into the hands of the Asiatic. Within the memory of man, the wealth of the Straits Settlements and Hongkong has gravitated to the Chinese ; already, at Harbin and Tsitsihar, in Chinese territory, Russian railway porters are cheerfully carrying the baggage of first-class Chinese passengers. If there be any menace to Europe in Cathay, it lies in the fierce struggle for life of three hundred million men who are ready to labour unceasingly for wages on which most white men must inevitably starve.

Army Manœuvres, November, 1908. (Viceroy Tuan Fang's Escort.)

Army Manœuvres, 1908. (Krupp Mountain Guns.)

CHAPTER XV

THE OPIUM QUESTION

At the outset of a temperate and unbiassed review of the opium question,[1] Mr. H. B. Morse, an American writer, comments on the thorny nature of this subject, confused as it is by a too general acceptance of certain postulates loudly proclaimed from high moral grounds. "The writer," he says, "who tries to investigate the facts with no predisposition to either side is likely to find himself branded as a trimmer by the one party and a Laodicean by the other, with no opportunity to defend himself." Mr. Morse, concerned only with the history and statistics of the trade, makes no attempt to elucidate the vital point of the opium controversy—its moral aspect. Nevertheless, his strictly impartial examination of facts and figures, the work of a trained thinker, will repay study by anyone who wishes to see the question steadily and see it whole. Those whose views of the matter have been formed upon the dialectics of the Anti-Opium Society, or the arguments of religious enthusiasts, will learn, possibly with surprise, how far verifiable historical facts may become perverted in the cause of a religious crusade, how steadily error may persist and grow even when used for purposes of morality. They will learn, for example, to assess at its proper value the stock statement that British

[1] *Vide* chapter XI. of "The Trade and Administration of the Chinese Empire," by H. B. Morse (Statistical Secretary, Inspectorate General of Customs, China). 1908.

merchants introduced opium into China and forced the impious trade upon her "at the cannon's mouth." They will learn to appreciate the conditions existing in China before the prohibition of opium importation in 1800, when the Chinese Government first endeavoured to apply to foreign nations the restrictions which it had failed to impose on its own subjects. They will realise how it happens that earnest God-fearing men, fully alive to the evils which arise from the abuse of opium (and especially of contraband or illicit opium), have come to recognise that in the legalisation and regulation of the trade lies the only practical remedy for those abuses.[1] They will learn that, at the beginning of the eighteenth century, as at the beginning of the nineteenth, the production of native grown opium greatly exceeded the foreign importation; that, whereas the inland provinces have never been dependent upon Indian opium, cultivation of the poppy in Szechuan and Yünnan (dating back in its origins to the ninth century) has produced in recent years six or seven times the quantity imported from India. And learning these facts, which, in their zeal, the opium crusaders generally overlook, the dispassionate observer may be led to push his investigations further and to inquire whether, in fact, the cause of true morality is well served by those who profess and believe themselves to be "on the side of the angels."

I am aware that to offer any criticism of the aims and methods of the Anti-Opium Societies is to risk attack from an assumed vantage ground of high moral superiority; that it is characteristic of a certain form of religious zeal to impute unrighteousness to those who may conscientiously differ from its views and disapprove of its proceedings. It is a risk that must, nevertheless, be faced by those who look for the ultimate triumph of truth over error, and by those who sincerely believe that the proceedings of the Anti-Opium Societies

[1] *Vide* correspondence between Mr. Reed, United States Minister to China, and Lord Elgin. In the narrative of Lord Elgin's Mission, 1860.

which have brought about the cessation of the Indian trade will eventually aggravate the evils of opium-smoking in China. In stating this side of the case, I would ask the anti-opium reader to recognise the possibility of worthy motives in those who approach the opium question from the practical, instead of from the emotional, side.

THE BRITISH AND AMERICAN ANTI-OPIUM AGITATION.

Dispassionately considering the history of the Anti-Opium agitation in England and America since the initiation of the total abolition movement by T'ang Shao-yi's regulations and the Empress Dowager's famous Edict of November, 1906, it is impossible to avoid the conclusion that many of the philanthropists, missionaries and eminent divines who have taken the lead in this matter are afflicted in their field of morals by the same persistent delusion which commonly afflicts reformers in the field of political economics. "They are all pervaded" (to quote once more from Spencer) "by the conviction, now definitely expressed, and now taken as a self-evident truth, that there needs but this kind of instruction or that kind of discipline, this mode of repression or that system of culture, to bring society into a very much better state." Moreover, their schemes for the wholesale regeneration of China are evidently based on an implicit assumption that the inherent weaknesses and sins of humanity are curable by process of legislation and modes of repression. Despite all human experience on their own side of the world, many religious enthusiasts of the West profess and practise the belief that the moral nature and physical organisation of the Chinese race are capable of being radically changed by the ways and means which they advocate for the abolition of the opium trade. Despite their unavoidable recognition of irremovable beams in the European eye, they assume the feasibility of removing every mote from the eye Celestial. Practically denying the doctrine of original sin to one half

of the world, they fail to adjust the existing moral values of the East to the hard, immutable facts of life. To be "on the side of the angels" in this matter it is necessary to surrender one's reason to the keepings of the Nonconformist conscience, to ignore human nature and the teachings of history, to set logic aside and accept the probability of miracles on an unprecedented scale. No thoughtful student of the question can avoid recognition of the fact that the attitude of the missionary body in China towards it is necessarily affected by a "bias of class," which in itself justifies critical examination of the whole subject. Missionaries, being human, are liable to the pangs of *amour-propre*, to a glowing pride of achievement; at times even to promptings of self-interest, more or less instinctive and unconscious. The opium evil and its eradication have always figured as a prominent plank in the China Missions' platform; it is therefore only natural that, in advocating measures which to laymen seem hopelessly unpractical and ill-advised, many missionary writers and speakers should be predisposed to ignore or misinterpret those facts which militate against their conclusions. This human weakness, frequent amongst religious enthusiasts, is one which reasonable men will not severely criticise. The anti-opium movement in England and America is only one of many manifestations of the nations' philanthropic and moral activities; amongst the Chinese, it constitutes an unmistakably hopeful sign of a national conscience, awakening to recognition of national needs. But many a good cause has been ruined by the headlong enthusiasm of its advocates, many a campaign lost for lack of organised intelligence and serviceable maps. The manner in which the anti-opium campaign has been conducted by persons prominently associated with the leading English and American Societies suggests a state of mind for which the practical side of philanthropy has little or no weight as compared with its emotional possibilities; while the utterances of many

missionary writers on the subject have been so tainted by appeals to *odium theologicum*, so persistent in the dissemination of palpable error, so indifferent to many important aspects of this great problem, that those who approach its solution in a spirit of sincere sympathy and rational inquiry cannot but feel grave misgivings as to the results of their proceedings. *Moderata durant.* It cannot profit China, or the world at large, if, after the evil spirit of Indian opium has been swept from the House Celestial, "the state of that man" is made worse than before for want of common prudence and common sense.

STOCK ARGUMENTS AGAINST THE INDIAN TRADE.

In bringing pressure on the British Government to consent to the abolition of the export of opium from India to China, two chief arguments have been invariably cited by the Anti-Opium Societies: firstly, that in maintaining this trade, England has inflicted a terrible wrong on the people of China; and secondly, that the complete abolition of opium cultivation by the Chinese was to be regarded as a measure capable of achievement and, to all intents and purposes, practically accomplished. As regards the first of these two arguments, the satisfaction of appealing to the British public's feelings of remorse appears to present attractions more powerful than any belated admissions of historic fact. It is an argument based on untruths which have been repeatedly and completely exposed, but which continue, nevertheless, to figure prominently on every possible occasion; an argument to which, out of sheer weariness, the British Government and its Colonies in the East have bowed, and which political agitators in China have never ceased to employ for their own interested purposes. I do not propose to recapitulate the history of the so-called "opium war" and the manner in which the trade in the Indian product was legalised by the tariff attached to the

Treaty of Tientsin (November, 1858); because the facts are easily available and beyond dispute. Equally beyond dispute, unfortunately, is the fact that the legend of "opium forced on China at the cannon's mouth" has passed by long usage into the region of venerable tradition. In the preface to a work published in September, 1912,[1] for instance, the following passage occurs:

"Seventy years ago a great Western Power forced on China an opium Treaty at the mouth of the cannon. Since then, not a dead hand, but a mailed fist, has been held up threateningly to prevent its being evaded. Her merchants have carried on the opium traffic and her warships have patrolled the Eastern seas to see that they are not defrauded of their rights.

"The years dragged slowly on for China, and, during these, opium was slowly weaving its web over the land, and its black fingers were fastening themselves round the hearts of countless thousands, and homes were being desolated by a curse that the Government might never try to remove, for the iron fist was always on guard. . . . .

"And then the great miracle took place. The passion that had been burning in the hearts of the best men in the country blazed forth with a mighty fire. The conqueror was appealed to some five years ago or so, and slowly the mailed arm was dropped."

With examples of this kind to guide them, it would be strange if the excessive emotionalism which characterises a large section of the Chinese student class were not to find expression of its own on a subject so congenial to patriotic *amour-propre*. I will cite only one specimen typical of the effusions which have flooded the missionary and secular Press in China since the final crescendo of the anti-opium agitation in 1909. It was published as a letter to the Editor of the *Peking Daily News*, in November, 1910:

[1] *Men and Manners of Modern China.* By J. Macgowan. London: T. Fisher Unwin.

"That Britain, taking advantage of China's helplessness, forced and continues to force, notwithstanding her bitter protests, British opium into China's domain, is an imperial crime that provokes the detestation of every right-minded man. It is a record of genteel piracy extending over two generations, for which high Heaven will not hold Britain guiltless, and which grimly looms, an uncanny spectre, forbidding any hearty reciprocity between the two nations.

"Britain realises not that her opium-lucre, wrenched from the remonstrant, but helpless, hands of China, is building against herself in the world of retribution an invisible Dreadnought, one broadside of which could readily founder her ship of state. . . . .

"If China, taking her stand on her imperial rights as a sovereign people, should refuse to admit British and all other opium to her ports from an early date of her own appointing, would Britain dare to incur the world's denunciation by a recourse to arms? Or, if China should fix an early date for the prohibition of all imported opium, and submit her case to the Hague tribunal for adjudication, is there the shadow of a doubt what the decision of that august body would be?

"The time is ripe for Christian England, by an act imperial in its righteousness as well as in its moral heroism, to close the impious chapter of her relations with China in the matter of the opium trade—a chapter than which there is no darker blot in Britain's long history."

I have cited this particular effusion for the reason that it foreshadows clearly not only Young China's deliberate intention to violate the new Opium Agreement, then under negotiation with Great Britain, but also the attitude subsequently adopted by the Chinese representatives at the Opium Conference at the Hague. Nine-tenths of these letters to the Press were written by Cantonese, every one of whom was aware that the Canton Opium Guild was at that time already organising a Provincial Opium Monopoly under conditions which clearly anticipated the continuance of opium growing and opium smoking.

A less picturesque statement, and one which undoubtedly carried a most powerful appeal to the Anglo-Saxon's inherent love of justice, is that to which the late Dr. Griffith John gave expression when he said, "We have inflicted a terrible wrong on the people of China, and it is our solemn duty to try to undo it by abandoning the trade at once and for ever, ourselves, and by giving them every sympathy and aid in our power in their attempt to banish the curse from within their own borders." Dr. John's name was during many years a household word in China, where no man has ever doubted his sincerity of purpose and disinterested devotion to the welfare of the Chinese people; nevertheless, his statement of the case errs in the distinct implication that England's insistence on the right to trade in opium (and other goods) at Canton in 1838 was the original cause of the opium traffic in China, whereas, as we know, opium was no more a burning question with the Chinese in Lord Napier's day than it had been before; and the question which was solved "at the cannon's mouth" by the Treaty of Nanking in 1842, was the right of foreign envoys to treat directly with the Chinese Government. Dr. John's statement contains, moreover, the germ of a fallacy which has figured prominently in all the Anti-Opium Societies' propaganda before the Hague Conference and since; namely, that the opium legislation inaugurated by the Chinese Government under the Edict of 1906 constitutes an entirely new and particularly hopeful feature of the situation. It implies the existence of good grounds for believing (to use the words officially recorded by the International Opium Conference held at Shanghai in 1909) "in the unswerving sincerity of the Chinese Government," whereas the whole history of the opium question, since the date of the Treaty of Nanking, effectively precludes any rational optimism in that direction. Observers familiar with the history of the movement recognised in the first year's working of the new Edict a strong and increasing impulse

of public opinion, especially amongst the educated classes, in favour of the suppression of the opium habit, a movement which was energetically supported by many individual officials at Peking and in the provinces ; at the same time it was clearly foreseen by those whose critical faculties were not obscured by their enthusiasms, that the Chinese Government, as a whole, was never in itself a regenerating moral force and that, by every precedent, there was good reason to apprehend the possibility of its diverting the popular anti-opium movement and the sympathies of foreign Governments to its own ultimate benefit, by the creation of a monopoly in native opium coincident with the abolition of the Indian trade. Already, in the beginning of 1908, the attitude and unguarded utterances of some of China's highest officials (*e.g.*, Prince Ch'ing and Chang Chih-tung) foreshadowed this end.

No good purpose would be served by advancing arguments, either on grounds of economic expediency or moral justification, for the maintenance by the Government of India of the cultivation of opium intended for the Chinese market, especially since the British Government's decision to terminate that trade has placed such arguments on the plane of futile academics. The consensus of public opinion in Great Britain has been unmistakably expressed in the sense that any further share in a trade which has been persistently criticised on high grounds of morality is undesirable ; the game, in fact, is not worth the scandal. Even if this conclusion has generally been based on premises which many unbiassed critics consider untenable, it is a conclusion which the public sense of morality and expediency has approved. So be it : but the Chinese opium question did not begin with the Indian trade and will not end with it. The arguments which carried most weight with the British Government and which led to the conclusion of the Opium Abolition Agreements of 1907 and 1911, were those which apparently justified belief in the sincerity of the Chinese Government

in taking effective steps for the abolition of poppy-growing in China. Confronted with good evidence of that sincerity and pressed to accept it by the whole weight of missionary opinion in China, the British Government, whatever its mental reservations, could not refuse its co-operation in a measure of reform which appealed so powerfully to the imagination and to the vicarious benevolence of the civilised world. But as for the benefits which this reform was to confer upon the Chinese race, it was clear that the abolition of the Indian trade was in reality a matter of secondary importance. Everything depended, firstly, upon the sincerity of the Chinese Government's intentions, and secondly, upon the practicability of the proposed abolition programme.

THE TRADITIONAL POLICY OF THE CHINESE GOVERNMENT.

Let us consider first the question of Old and Young China's sincerity in this matter. In the year 1839 the Chinese Government (at that time quite indifferent to the widespread native cultivation of the poppy) desired the cessation of the Indian importations not only on moral grounds—obviously insincere—but upon the justifiable economic ground that the Indian shipments involved heavy remittances of silver, and created an adverse balance of trade. At that time, the foreign opium trade was contraband, but despite prohibitory Edicts and moral professions, it was openly encouraged by the mandarins. As Mr. Morse observes, "The Emperor might prohibit the trade but the Emperor's representatives continued to sanction it."

After the Treaty of Nanking had been signed (1842), Sir H. Pottinger proposed to say a few words to the assembled company upon one of the causes of the disturbances that led to the war, viz., the trade in opium. Upon hearing this the Chinese unanimously declined to enter upon the subject until they were assured that he had introduced it merely as a topic for private conversation. "They then evinced much

Photo, Camera Craft Co.

ONE OF THE LOOTERS.

interest and eagerly requested to know why we should not act fairly towards them by prohibiting the growth of the poppy in our dominions, and thus effectively stop a traffic so pernicious to the human race." "This," he replied, "in consistency with our constitutional law, could not be done; and," he added, "even if England chose to exercise so arbitrary a power over the tillers of her soil, it would not check the evil, but it would merely throw the market into other hands." He then went on to show that if the Chinese stopped smoking, the production of the article would cease, but if they would not do this, they would procure the drug in spite of every enactment. "Would it not therefore be better," he said, "to legalise its importation, and by thus securing the co-operation of the rich and of your authorities, thereby greatly limit the facilities which now exist for smuggling?" They owned the plausibility of the argument, but expressed themselves persuaded that their Imperial master would never listen to a word on the subject.[1]

In the early seventies, the idea of securing the abolition of the Indian trade, with a view to the establishment of an effective Chinese monopoly for traffic in the native drug, had already found many supporters in Peking and the provinces. Writing in 1875, Johannes von Gumpach said:

"It is certain that the Tsungli Yamên has for some years been so strongly urging the 'immorality' of the opium trade upon the consideration of England and the religious sentimentality of the Gladstone administration, solely in the hope of China being *paid in silver* for the excess of her exports, and in precisely the same proportion in which it may be found practicable to diminish the importation of the foreign-grown drug. But I should hold it to be a fatal error on the part of the British Government were it to entertain the hypocritical appeal of the Tsungli Yamên to England's moral sense and generosity."[2]

[1] Vide *Closing Events of the Campaign in China*, by Captain Loch.
[2] *The Treaty Rights of the Foreign Merchant in China.* Shanghai. 1875.

And again,

"If the British Government were to listen to the Tsungli Yamên's insidious arguments—supported though they be by ill-directed missionary zeal—and, apparently yielding to the Yamên's intimidations, to consent to the prohibition of poppy culture in India, it would . . . after all, uselessly sacrifice the legitimate interests of British commerce and Indian industry, and to what end? To the end that the Government of China might, under the shielding mask of its 'impotence,' encourage the cultivation of the poppy at home; stealthily and gradually add to its salt monopoly that of the manufacture and sale of opium, impose upon the people a deleterious drug, while excluding from the country a superior preparation . . . . On the other hand, the Tsungli Yamên's threat, recently suggested in the shape of a 'temporary measure,' to withdraw the prohibition on the home growth of the poppy, need not alarm the Indian farmer. The effect would simply be a demand for the purer and better article, increasing with the increasing free production and use of the 'deadly poison' in China."

The idea of a Government monopoly to handle the native drug, relieved of all competition from the imported article, has undoubtedly existed at the back of the official "anti-opium movement" from the very earliest days. The philanthropic activities of China's sincere patriots and moralists have waxed and waned and waxed again, but the mandarin ideal has been steadily maintained, and to-day emerges with every prospect of successful accomplishment, as the result of Young China's appeal to the "moral sense" of Great Britain. Let us not, however, criticise too severely the mandarin. It is not only in China that politicians direct to their own purposes the altruistic and benevolent impulses of a moral *élite*, professing principles and panaceas incompatible with their real intentions and proceedings. In this question of the Chinese opium traffic, the pressure brought to bear upon the British Government "for the moral glory of our nation" has denounced the Indian mote with great

vigour whilst remaining strangely blind to the British beam, to the fact that British manufactured morphine was being exported in steadily increasing quantities, to take the place of opium smoking. Mr. Johnstone, and other prominent supporters of the Anti-Opium Societies in the House of Commons, have taken their stand on the grounds proclaimed by the Bishop of Durham at the World Missionary Conference held in Edinburgh in June, 1909, accepting the moral appeal of China's " unswerving sincerity " as an argument of irresistible weight and declaring that the cessation of the Indian trade must be regarded as " a question of righteousness, not of money ": at the same time, they have failed to recognise the importance (and the high morality) of that aspect of the question which was raised by the Anti-Opium Society of Singapore, when it advised " that the financial difficulties created by the cessation of the opium revenue, should be met by the British Imperial and Indian Governments in a way that shall not increase the taxation of the mass of the people in India." The moral glory is ours : but the price to be paid for our national righteousness is left to the Empire's humble dependants.

YOUNG CHINA AND OPIUM.

When T'ang Shao-yi drafted his drastic opium abolition Regulations of 1906, many observers saw therein evidence of new and sincere intentions on the part of the " Young China " element at Peking, to put a stop to the opium traffic by the complete abolition of poppy culture throughout the Empire. It was a stupendous reform to attempt, but there undoubtedly existed a strong body of public opinion in its favour, because it appealed to the economic, as well as to the moral, instincts of the educated classes. Given sincerity of purpose and sustained energy on the part of the Central Government, it seemed to many Europeans that the gradual cessation of opium smoking according to the ten years

programme prescribed by these Regulations was within the bounds of possibility. *The Times* correspondent at Peking described the Regulations as "the most masterly State document issued in China for many years, leaving no loophole for evasion." The sympathetic interest aroused in England and the United States, reflecting the humanitarian tendencies of the Western world, was unmistakable. At the same time, it was recognised that everything must ultimately depend upon the sincerity of the Chinese Government and the moral stability of Young China; there were many, therefore, whose judgment was suspended, pending further evidence as to the Government's willingness and ability to suppress opium cultivation at the chief producing centres. Here again, the first results attained, under the energetic inspiration of T'ang Shao-yi and his followers, surpassed all previous experience of reform in China and the most sanguine expectations. By the terms of the Anglo-Chinese Opium Convention of 1907, Great Britain had agreed to the gradual abolition of the Indian trade, *pari passu* with the abolition of poppy-growing in China; but the first three years of the ten years' programme were to be regarded as experimental, and a test of the Chinese Government's good faith and effective authority in the matter. The results of the experimental period have been embodied in British Consular Reports and other documents submitted to Parliament. They varied greatly all over the country, according to the amount of energy and honesty displayed by the local officials, but, on the whole, they were distinctly encouraging, the total reduction in cultivation effected at the end of 1910 being estimated on the evidence of reliable witnesses at about twenty-five per cent. Once more it had been demonstrated—as in the case of the educated classes and the abolition of the old system of examinations—that the Chinese people submits readily to the control of constituted authority, firmly administered and morally justifiable. There was every reason to hope that, by steady pressure of

public opinion and sustained effort, the other seventy-five per cent. might be suppressed within the next seven years, and this without violent disorganisation of the economic situation in China and India.

It was at this juncture that Young China, flushed with the undeniable success of its first political activities, proceeded to display the indiscipline and insincerity which have since distinguished the majority of its leaders. The British Agreement of 1907 had been recognised by all fair-minded Chinese as conceding everything that the Chinese Government had proposed, and providing a perfectly clear course towards the desired end. In 1910, however, stimulated by the misguided zeal of fanatical enthusiasts, Young China proceeded to organise a violent agitation for the immediate suppression of the Indian trade. The question was taken up, and most intemperately discussed, by the National and Provincial Assemblies; swiftly it degenerated from the plane of philanthropic effort to that of political polemics, and its descent synchronised with ominous signs of a revival of the mandarin's monopolistic policy. There had not been lacking observers of the pessimistic school who had foreseen these results, who predicted that, if the Indian trade were abolished while the poppy were still grown in China, the anti-opium movement would be productive of evil rather than of good, inasmuch as it must lead "to the establishment of a monopoly in the hands of a class which, in all our national experience, has been wont to put money before righteousness and expediency before good faith." [1]

On November 13th, 1910, a meeting of the People's Anti-Opium Society, held at Peking, decided to address a special appeal to the kindred societies of Great Britain and America, so as to enable China to prohibit forthwith any further importations of the Indian drug. The appeal was enthusiastically supported by the missionary and Anti-Opium Societies of Great Britain; it laid particular stress on the

[1] Vide *The Times*, December 22, 1910.

results achieved in the reduction of poppy-growing in China as proving the Government's unswerving sincerity, and declared that nothing now stood in the path of complete achievement but Great Britain's refusal "to leave China free to rid herself of this evil thing." The religious and moral aspects of the question were emphasised to the complete exclusion of common sense and common justice, but the pressure brought to bear was sufficient to induce the British Government to negotiate a new Convention at Peking "in recognition of China's magnificent effort to perform her share of the task." This agreement was concluded on May 8th, 1911; it provided for a heavy increase in the duty on Indian opium, consented to the total cessation of exports from India, so soon as clear proof should be forthcoming that the native drug had ceased to be produced in China, and agreed to the immediate exclusion of Indian opium from any province that could prove that the native drug was neither grown nor sold within its borders. In other words, the abolition of the Indian trade was made immediately dependent upon the sincerity of the Chinese authorities and their capacity to deal with the domestic production. The Peking Government expressed itself completely satisfied; not so Young China, which continued to agitate for the immediate and unconditional cessation of the Indian trade, and this despite the fact that ominous reports of increased production were beginning to come in from Kansüh, that the Customs returns indicated increased movements of the native drug in Hupeh, and that the Canton Guild had renewed its efforts, illegal under the Treaties, to establish a provincial opium monopoly. The Peking Government itself, in an unguarded moment, suggested grave doubts as to the future, by offering to pledge the opium lekin in Hupeh and Szechuan as collateral security for a loan intended to run for forty years, and it was notorious that, despite the Edict, many confirmed opium smokers (including the President of the Waiwupu) remained in office. Finally, the question of

morphia consumption, untouched by the Anti-Opium Society's appeal, had begun to assume a very ominous aspect, the seriousness of which was not diminished by the fact that several high officials at Peking were known to be connected with the trade in morphia pills. The following statement concerning this nefarious trade (strictly prohibited by Article VI of T'ang Shao-yi's "unloopholed" Regulations) is taken from the *World's Chinese Student's Journal* of January, 1909:

"Since the Imperial Decree regarding the suppression of opium in China came out on September 20th, 1906, the Chinese market has been practically flooded with all sorts of anti-opium remedies. According to the statement of one of the Opium Commissioners there are no less than fifty-three kinds of pills now on the market, put up by all sorts of quacks who probably regard this time as an opportune moment to make large fortunes through the sale of their so-called anti-opium pills. Unfortunately these anti-opium pills are not what they are represented to be and in most instances they are found to contain either opium or morphia. The purpose of concocting this prohibitive ingredient is of course very clear. By cajoling the Government and the people they hope to reap large fortunes by exciting the appetite for these pills, which is only a different form of opium indulgence.

"This illicit practice is not only confined to irresponsible persons, but seems to have infected government official doctors of high standing. It is reported that in a recent investigation two government physicians[1] have been found to put up anti-opium pills of this nature for sale. Such a reprehensible act should be meted with condign punishment, as it does not only encourage a worse kind of opium habit, but is an open violation of the Imperial decree."

THE ATTEMPTED ABOLITION OF CULTIVATION IN CHINA.

What would have been the ultimate results of the anti-opium movement had the Manchus remained in power, is an

[1] These two physicians were Cantonese, educated abroad, one of them being an intimate associate and connection by marriage of T'ang Shao-yi.

open question; credit must be given them, at all events, for good intentions and effective measures within the limits of their authority. In the general disorder which naturally ensued upon the outbreak of the Revolution, it was inevitable that the process of reducing the area under poppy cultivation should be temporarily arrested. So much may be granted; but had the people at large been convinced of the sincerity of Young China, in the same way as they had been in the case of the Manchu Government, it is safe to say that there could not have occurred so widespread a recrudescence of opium-growing and opium-smoking. The great improvement that had been recorded in 1909-1910 could not have been effected if the popular movement had not been reinforced by constituted authority. The movement itself appealed not only to the instinctive morality of the masses, but to their perception of the economic relief which opium abolition would confer: many farmers were thus led, by pressure of public opinion, to abandon poppy-growing, in the belief that the reform was to be universally enforced and that no one province would be allowed to benefit by exemption. In one of the Reports forwarded for the information of Parliament by Sir Alexander Hosie,[1] the passive acceptance of serious losses by the farmers of the province of Shensi is attributed to three causes:

1. Belief in the sincerity of the Government's intentions. This took some time to establish, but in 1910 it was widespread.

2. Local influence of the *literati* and gentry, exercised in support of the Government's programme.

3. Popular recognition of the social and economic evils arising from the opium habit.

How powerful is the instinct of conformity to mass pressure in China, how deep-rooted the respect for moral authority, was proved by the results of the opium abolition measures in the furthest districts of Yünnan and Szechuan. The

[1] *Vide* Blue Book, No. 1 of 1911, p. 11.

Photo, Le Munyon, Peking.

VIEW OF PEKING FROM CITY WALL.

Consular Reports from these regions are extremely interesting and instructive.

The Republican leaders—Young China—had taken to themselves all the credit for the success of the anti-opium movement. The Press had assumed a tone of highly moral superiority, on the strength of the actual results attained, and had based thereon claims to exceptional consideration at the hands of an admiring world. This attitude was strikingly demonstrated by the Cantonese delegates who represented China at the International Opium Conference at the Hague in December, 1911,[1] but their dignity of unctuous rectitude was marred by the fact that by this time the gravest doubts had arisen not only as to the capacity of the Republican leaders but as to their sincerity and honesty. Sun Yat-sen, Li Yuan-hung and others whose names had long been identified in missionary circles with earnest professions of devotion to the good cause, were profuse with promises of drastic measures and splendid results; they continued to urge the immediate removal of the only stumbling-block in the path of reform, viz., the Indian trade, whose abolition the British Government have made dependent solely upon China's energy and good faith—but they remained curiously indifferent to the fact that several provinces were openly resuming the wholesale cultivation of opium. The attitude of the Republican leaders was, in fact, instinct throughout with super-mandarin duplicity, and tainted by sordid motives of financial expediency. Had their demands for the complete cessation of the Indian trade been accompanied by any effective measures for the abolition of cultivation in

[1] The highly moral and patronising attitude adopted at the Hague by the Chinese delegates, and echoed by the representatives of the English Anti-Opium Society, evoked some plain speaking at the time. It was based (despite all evidence to the contrary) upon the same assumption as that put forward in the Chinese students' circular appeal to the British nation (November, 1910), namely, that "even in the worst opium-growing provinces the cultivation of the poppy has almost entirely ceased." In November, 1910, on the strength of a 25 per cent. reduction, this attitude might have been condoned: at the end of 1911 it was inexcusable.

China, they might have escaped the heavier charges of flagrant insincerity of purpose. But it soon became apparent that the principal motive underlying the agitation against the Indian trade lay in the desire of the new *régime* to establish lucrative official monopolies in handling the native drug. The leaders of the Republic and the Press continued to proclaim good intentions and to frame appeals to the moral sense of England and America; they calmly confessed to a temporary inability to prevent the cultivation of opium in certain provinces, but assured the world at large that this unfortunate lapse was of no real significance. The Indian trade was to blame—abolish that without asking for further proofs of sincerity, and all would be well. The National Assembly, realising that the earnest non-political minority of the Anti-Opium Societies and their missionary supporters were becoming seriously perturbed, introduced a Bill in May which provides for the total suppression of the traffic by the end of 1912. Under this Bill all the anti-opium Bureaus are required to despatch delegates to different places to investigate and to report any "clandestine" cultivation. Pending absolute prohibition, every opium smoker must take out a monthly licence to smoke in the provincial anti-opium Bureaus, etc., etc. The Bill is clearly a "face-making" measure, pure and simple, as useless for practical purposes as any moral essay of the Monarchical Edicts, and the politicians who have passed it are well aware that in those very provinces where Young China had been most active before the Revolution, the latest agreement with Great Britain is being openly violated, not on moral grounds, but for the pecuniary benefit of Republican officials.

INSINCERITY OF THE REPUBLICAN LEADERS.

Dr. Sun Yat-sen, Vice-President Li Yuan-hung and other leading Republicans in whom the Anti-Opium Societies place their trust, were fully aware of this most damning fact.

They were aware that the provincial authorities of Yünnan had founded a company for the cultivation of opium, not only to supply the local demand but to export the drug to Tongking: that the Chêkiang provincial authorities, whilst illegally prohibiting Indian opium from entering the province, were openly permitting poppy cultivation, and had cheerfully witnessed the gathering of a splendid harvest grown even within the limits of the Prefectural city.[1] They were aware that, in the two provinces, Shansi and Szechuan, *from which Indian opium had been legally excluded under the British Treaty of May*, 1911 (*because of their "clean slate"*) *cultivation had been resumed, with the full knowledge and consent of the Republican authorities*, the district of Chengtu boasting a "bumper crop." They were aware that in several provinces the regulations for control of opium-smokers were being enforced, not for the suppression of smoking, but for the benefit of the authorities; that in Hunan, cultivation had been openly re-instituted with the connivance, if not the protection, of the Provincial Assembly. They were aware that the output of opium in the seven great producing provinces would be larger in 1912 than in any year since 1907, and that in several provinces arrangements were being made to create official monopolies which would forbid all entries of foreign opium.[2] All these things they knew; but the high moral principles which had stood Young China in

[1] *Vide* Shanghai correspondent of *The Times*, April 15 and May 11, 1912. The Military Governor of Chêkiang confessed to the British Consuls that he was afraid to interfere with the farmers. He was not afraid to seize the property of British merchants.

[2] A proclamation to this effect, establishing a monopoly from the 1st of July, was issued by the Military Governor at Kiukiang. One of the first results of these provincial monopolies must be greatly to stimulate the tendency towards local autonomy. The Central Government's revenues from import duty on Indian opium are eliminated on the one hand, whilst the provincial authorities levy excise and inter-state trade duties on the native drug. The British Government's tacit acquiescence in the anti-opium movement, based on high moral grounds, is therefore likely to stultify its benevolent policy of strengthening the authority of the Central Government.

such good stead had now ceased to be concerned with any aspect of the opium question other than that of the Indian imports. In the beginning of May, Dr. Sun Yat-sen and General Li Yuan-hung defined their position in the matter by public manifestoes. Dr. Sun's took the usual form of an appeal to the British nation in which, completely ignoring the deplorable condition of affairs encouraged by the Republican authorities, he observes:

"*With an opportunity to sell at high prices the temptation to plant is very strong*, and in such a large country and under present conditions it is almost impossible to stop it while permitting the sale of opium. We must make its sale and traffic illegal, and we can then stop its cultivation. At present we are hindered in this because of a treaty with your country. Remembering with grateful appreciation what you have done for me and for my country in the past, I appeal to you for further help to stop this sinful traffic now at the beginning of our new national life. We ask you in the name of humanity and in the name of righteousness to grant us the right to prohibit within our own land the sale of this fearful poison, both the foreign and the native drug. We believe with the sale made illegal we can soon put an end to the cultivation. I make this appeal to you, the British people, on behalf of my fellow-countrymen."

Dr. Sun's latest appeal to the British people synchronised with a despatch by his Majesty's Minister at Peking, in which it was admitted that the Legation's efforts to rectify the Chêkiang position had been in vain and that the Chinese Government was unable or unwilling to do anything in the matter. The predictions of the "pessimists" were, indeed, fulfilled. The mandarins of the new dispensation had maintained the traditions of the old, covering their flagrant bad faith under "the shielding mask of their impotence."[1] Dr. Sun Yat-sen, professed Christian and

[1] *Vide supra*, p. 434.

eloquent advocate of reform, enjoys abroad a wider reputation for sincerity and personal integrity than any other leader of Young China. It is possible to believe that, by virtue of an incurable optimism, he may have been able to persuade himself of his countrymen's good faith and the ultimate suppression of opium cultivation, for his is the generous, impulsive type of morality which avoids the chill breath of facts. It is possible: but the tree must be judged by its fruits, and it is difficult to reconcile Dr. Sun Yat-sen's public utterances on the subject of opium with his apparent indifference to Young China's deliberate repudiation of its professions and pledges. "Unswerving sincerity" requires that he and his fellow-reformers should place effective measures for the abolition of opium cultivation before their lucrative schemes for "covering China with a network of railways built with foreign capital" or the organisation of ocean steamship companies. Yet Dr. Sun Yat-sen announces (in September) his intention of travelling abroad on this financial business, leaving the "sinful traffic" to work out its own salvation. The reticence displayed by the Anti-Opium Societies in regard to this unpleasant aspect of the question suggests possibilities of disillusion where optimism is almost a vocational necessity. From this point of view, it is matter for congratulation that the religious enthusiasts and professional agitators who have continually ascribed to England the "bondage of the Chinese to this fearful curse" should henceforth be compelled to face the truth of the matter. It is well, if only on political grounds, that the Indian Government should cease to derive revenue from a traffic demoralising to the Chinese race. But the moral, financial, economic and political penalties which China must incur, as immediate results of the "opium-abolition" movement, are likely to prove many and serious.

ECONOMIC RESULTS OF PROHIBITION OF INDIAN TRADE.

The agitation organised against the Indian opium trade by well-meaning but short-sighted missionary bodies concerned itself frankly with moral glory and righteousness, to the exclusion of all other considerations. Its immediate purpose has been attained, for whatever China may or may not do, the Indian trade may now be regarded as in process of liquidation. But the effects of China's contemptuous disregard of her Treaty obligations cannot fail to react with serious injury upon trade in general and to the ultimate detriment of the Chinese people. Every province had it within its power legally and honourably to exclude the Indian drug by stopping opium cultivation within its borders; the mandarin preferred to connive at cultivation and illegally to prohibit the importation of Indian opium. The agreements of 1907 and 1911 have been set at naught, and in consequence, the Indian merchants' stocks at Shanghai, valued in June at about £6,000,000, are immovable. But the opium trade, like all others, is conducted upon banking credits. The foreign banks at Shanghai are interested in these stocks to the amount of over £4,000,000, not to mention the sums advanced by Chinese banks. The Indian merchants were perfectly justified in continuing the shipments legalised by the agreement of May, 1910; the Chinese Government has violated that agreement and if it be permitted to persist in so doing, the banks must be involved in difficulties disastrous to the whole trade of China On June 15th, eleven banks, representing eight nationalities drew the attention of the Consular Body at Shanghai to the critical nature of the situation:

"For many years past," they wrote, "it has been the custom of the different banks to finance shipments of opium from India to this port, and in the ordinary course of business to make advances on the same when it has been

stored here waiting sale. In making such advances they have provided for the ordinary market risks, but have depended on the Chinese Government fulfilling its obligations in the matter of International Treaties and Agreements. Since February last the Chêkiang authorities have prohibited the importation of and trade in Indian opium, in absolute contravention of existing treaties, causing accumulation of stocks [1] in Shanghai, and heavy depreciation in the value of same. While prohibiting the trade in Indian opium, it is a matter of common knowledge that the Chêkiang authorities have allowed the cultivation of the native drug in that province to continue unabated, and that it is sold freely in Shanghai. . . . . We respectfully beg to ask the Consular Body to transmit this protest to their respective Ministers at Peking, and request them to protect our interests, either by insisting on the Government enforcing the adherence of Chêkiang Province to existing Treaties and Agreements or by obtaining a promise from them to make good any losses we may sustain."

On the 28th of June Messrs. E. D. Sassoon and Co. raised another important point:

"The Central Government," they said, "is stated to be unable or unwilling to control the Provincial Governments. If it is able but unwilling to do so, we trust that pressure may be brought to bear to insist upon Treaty obligations being carried out. If, however, it is willing but unable to impose its will upon the provincial authorities, it is difficult to understand how it will be able to control the expenditure of the money now being loaned when that money goes into the provinces."

[1] It is significant of the intemperate and disingenuous spirit which distinguishes a certain section of the Anti-Opium Societies, that Mr. Alexander, writing on this subject (on the 21st of May) should thus express himself: "In view of the present deadlock, *due to the desire of Young China to liberate herself from the vice of smoking*, it is unfortunate that the short-sighted policy of the merchants has landed them to-day in the unenviable position of having a heavy stock, and being unable to move it off." The cause of righteousness is here frankly in sympathy with injustice and flagrant bad faith.

The validity of this argument and its significance to the investor in Chinese Bonds are undeniable. For if the Central Government is unable to control the provinces in the matter of the opium trade, where it is bound by the most formal Treaty obligations, by what process of reasoning can the provincial salt *gabelle* be regarded as satisfactory security for new loans? Yet the financiers interested in these loans have publicly declared that security to be sufficient for the protection of investors, whilst China's foreign "advisers" deprecate any form of supervision or control, which would imply that "China is not mistress in her own house."

As the result of the manner in which the Anti-Opium Societies have conducted their campaign, the importance of the Indian trade in relation to the whole problem of opium-smoking in China has been greatly exaggerated. That trade will now disappear. India will grow less opium and more food; China will probably grow less food and more opium, and since the Chinese are the only large consumers of opium the results must prove economically disastrous to China.

PRACTICAL AND MORAL ASPECTS OF ABOLITION MOVEMENT.

Setting aside those aspects of the problem which directly concern India and the British Government, let us now examine the moral and the practical bases of the anti-opium movement. The missionary attitude in this matter may fairly be stated in the words of the late Rev. Dr. Griffith John:

"Opium is not only robbing the Chinese of millions of money, year by year, but it is actually destroying them as a people. It undermines the constitution, ruins the health, and shortens the life of the smoker, destroys every domestic happiness and prosperity, and is gradually effecting the physical, mental and moral deterioration of the nation as a nation."

Photo, Le Munyon, Peking.

PEKING: VIEW FROM THE COAL HILL.

Imprimis, it is to be observed that every word of this statement may be applied, with equal force of truth, to the excessive use of alcohol by European nations. It assumes that the Chinese race as a whole is addicted to the excessive use of opium—an assumption untenable in the face of all the most reliable *data*, inasmuch as the number of smokers is considerably less than ten per cent. of the population, and the proportion of "opium sots," comparatively speaking, small.[1] That the excessive use of opium is a vicious and degrading habit none will deny; but in attempting the introduction of remedial measures, sensible men will take into account the existence of weaker vessels in every community and will frame their measures, not on counsels of unattainable perfection, but with reasonable allowance made for the actualities of life and human nature. Especially will they endeavour so to frame them, that the remedy, when applied, shall not lead to disorders worse than those evils which they propose to cure.

Two blacks do not make a white, and the abuse of opium is not to be justified by the abuse of alcohol prevalent amongst Europeans. But the experience of those philanthropists and legislators in Europe and America who have attempted to enforce the absolute prohibition of intoxicants has only served to demonstrate the melancholy truth, that a people cannot be made moral by Act of Parliament, and that only the gradual education of the masses can check the lower forms of excess. The Temperance movement in England and America is just as earnest and quite as justified in its aspirations as the Anti-Opium movement in China; but all its experience proves that a reasonable recognition of the limitations of human nature is more conducive to the ends of public morality than the doctrines of extremists. Scandinavia for example has achieved far better results, moral, social and economic, under the rational Gothenburg

[1] *Vide* the Hongkong Legislative Council's inquiries into the opium question, 1907–8.

licensing system which Mr. Gladstone vainly advocated in England, than the Prohibition States of America have attained under their liquor abolition movement.

The opium question in China now resolves itself, for practical purposes, under three headings:

1. Is opium necessary to the Chinese race, as alcohol is necessary to the European?

2. Is the complete suppression of opium cultivation and opium smoking, humanly speaking, possible?

3. Assuming the possibility of complete suppression, would it be possible to prevent a wide extension of the illicit morphia trade and/or the substitution of alcohol?

The Anti-Opium Societies have proceeded upon the assumption that complete abolition of the opium habit is not only possible but probable, and that once the habit has been cured, there will be no craving for its dangerous substitutes. The picture which they draw is indeed attractive:

"There is now a probability," says one of many writers,[1] "almost amounting to a certainty, that the production and importation of opium in China will come to an end in a few years, possibly four or five, and that its consumption will cease soon afterwards. Then the hundreds of thousands of acres which have been devoted to the growth of the poppy will be set free for the raising of useful products; the hundreds of millions of taels annually expended on opium will be turned to the purchase of useful and necessary things; the physical, mental, and moral strength of the people will no longer be sapped by this hideous vice, and the nation will have her life renewed."

Precisely the same roseate visions have always been held forth in the campaign against alcoholic excess in all our great cities: and there is something to be thankful for in these aspirations, which bring distant glimpses of Utopia to bear upon conditions so desperate. But what are the facts of the Chinaman's opium-craving in the light of dis-

[1] From the *Journal of the American Association of China*, August, 1911.

passionate and methodical inquiry? If we study the first scientific evidence collected by a Select Committee of the House of Commons in 1872, and by many subsequent inquiries, down to the voluminous Report of the Straits Settlements Opium Commission of 1907–8, we find ample justification for that Commission's general conclusion, namely, "that the opium habit is comparable to the European's use of alcohol and tobacco and that it must be regarded as the expression among the Chinese of the universal tendency of human nature to some form of indulgence."

In 1872, it was the opinion of medical men closely acquainted with the subject that "there was a certain aptitude in the stimulant of opium to the circumstances of the Chinese people," and that "the universal use of the opium pipe amongst the Chinese must certainly be owing to some peculiarity of their mental and nervous constitution."[1] As a stimulant and narcotic, under certain conditions of climate and labour, opium taken in moderation is not only harmless but directly beneficial. The Straits Settlements Report, which embodied a systematic attempt to render a "complete and impartial account of the question of opium-smoking," emphasises the important fact, which the Anti-Opium Societies generally ignore, that the vast majority of opium smokers are, and remain, moderate consumers.

"The evils arising from the use of opium (says this Report), were made the subject of specific inquiry from nearly every witness, and the medical witnesses were practically unanimous, with the exception of those practitioners who held views strongly opposed to opium, that opium-smoking in moderation was relatively harmless. Even if carried to excess, no organic change in the body could be detected, the results

[1] That opium-smoking is a weakness, or form of indulgence peculiarly indicated by the physical and nervous system of the Chinese race, is proved by the fact that the Thibetan, Mahomedan and Mongolian population of Kansuh and other opium-growing provinces are practically exempt. (*Vide* Blue Book No. 1 of 1911, p. 15.)

being chiefly functional evils. It was also found, as would be the case with alcohol, impossible to lay down a standard of consumption which could be regarded as use in moderation or use in excess, owing to the varying physique and constitution of smokers. In this connection, therefore, it should be noted that the practical standard of two *chees* a day laid down by the China Mutual Life Insurance Company, as the *maximum* consumption of persons who, without organic disease, are acceptable as first-class risks, is eight times the average consumption per head of Chinese adult males in the Straits Settlements in 1907."

It has been objected by the Anti-Opium Societies that the Singapore Commission's Report embodies the opinion of a Colony whose illgotten gains of revenue are threatened at their source; but even admitting that it may reflect bias of class, its views are based on methodical procedure of evidence and therefore entitled to respect. The attitude of the Anti-Opium Societies is largely based on the assumption that neither opium nor any other stimulant or narcotic is a necessity of human existence, just as Christian Scientists aver that disease and pain are merely illusions of unenlightened minds. But if we consider the question in the light of all human experience and biological science, we are forced to the conclusion that the propensity to opium smoking is just as rational and ineradicable in the Chinese race as alcohol is amongst Europeans; and this being so, that measures which aim at effective regulation and restriction of the traffic are likely to prove more beneficial to humanity than any wholesale abolition crusade.

At this point, we are confronted with the second aspect of the problem, namely, is the complete suppression of opium smoking, humanly speaking, possible? In the Straits Settlement Report we find it recorded that "it was universally admitted that without an international agreement to stop the growth of the poppy, the success of prohibitive legislation would be highly problematical." The resolutions

of the International Opium Conference at the Hague were based, in so far as the Chinese opium traffic was concerned, upon a tacit assumption that China would demonstrate "unswerving sincerity," but the idea of practical legislation to control poppy cultivation throughout the world was recognised to be utterly impracticable; even the measures proposed for the control of the movement and sale of opium, morphine, cocaine and their respective salts by international agreement, by Customs regulations and by Pharmacy laws, were regarded by many of the Conference delegates as practically unattainable, though worthy of moral encouragement. But the attitude of the individual Powers interested in the cultivation of opium afforded no possible ground for believing in any world-wide self-denying ordinances for its cessation. Even admitting the possibility of suppressing poppy cultivation in China, therefore, the continuance of production in Persia, Turkey, and Central Asia would simply lead to a rapid development of highly profitable smuggling. As matters stand to-day, the increased demand for foreign opium in Southern China has led to a great increase in the contraband trade in "uncertificated" opium—a trade in which the officials connive, precisely as they did in the Co-Hong days at Canton.

That the natural propensity of the Chinese for opium-smoking is a peculiar racial characteristic is proved by the fact that the other Oriental races which produce the drug are themselves exempt from the smoking habit. It is a tendency which the average Chinese may carry with him to all parts of the world, just as the average Anglo-Saxon may carry a predilection for alcoholic stimulants, and this despite the moral censure of large and influential bodies of total abstainers and temperance reformers on both sides of the world. I make no excuse for insisting on the analogy between the question of opium-smoking and that of intoxicating liquors because, as Meadows observed after many years' observation, "although the substances are

different, I can see no difference at all as to the morality of producing, selling and consuming them; while the only difference I can observe in the consequences of consumption is that the opium smoker is not so violent, so maudlin, or so disgusting as the drunkard."

If the analogy be recognised as valid, the complete suppression of opium smoking in China becomes, humanly speaking, impossible. To achieve it, the suppression of poppy-growing will not suffice: we must exterminate the Chinese race. For the poppy, "flaunting her immoral beauty in the light of high Heaven," is not to blame for man's abuse of one of the most beneficent products of nature's laboratory. The thing to be rooted out is not the flower of the field, but the original sin in human nature. The Anti-Opium Society's activities have resulted in prohibiting the growing of the poppy in India, except for medicinal purposes, whilst the British Government continues to derive a large portion of its home revenues from the production and sale of intoxicating liquors. So be it: but would Mr. Alexander or the Rev. Mr. Thwing venture to propose that Great Britain should legislate against all cultivation of cereals and potatoes except for purposes of food? Will the most ardent advocate of temperance for Christian England suggest the complete exclusion of French brandy and Spanish wine from our markets? Yet this is precisely the course which we are adopting for the moral glory of Great Britain, *in partibus infidelium*, and by which it is hoped to achieve the emancipation of the Chinese race from its particular form of human weakness.

Finally, assuming even a partial suppression of opium-smoking as the result of reduced production, and restrictive measures, is it possible to prevent a rapid increase of the more deadly morphia habit and/or the substitution of alcohol as a popular form of stimulant?

THE MORPHIA PERIL.

As touching the probability of alcohol replacing opium, I am unable to share the views of those who regard this as a likely contingency, for the reason that a predisposition to opium, in one form or another, seems to be indicated by the physical constitution of the Chinese race. Sir Frank Swettenham (to quote one experienced observer) has expressed the opinion that it is inadvisable to attempt to deprive the Chinese of opium "because some other stimulant would surely take its place, and it would most probably be alcohol." If we admit the possibility of such a result, however, a new problem confronts us. The *samshu* (native-made spirit) which the Chinese use at present in moderate quantities, is made from rice and millet. Supposing the demand for this spirit to be enormously increased, and supplemented by importation of European intoxicating liquors, would it not be logically incumbent upon Anti-Alcohol Societies to advocate the suppression of rice and millet cultivation as well as the exclusion of foreign alcohol? And even if they did not, would not the Chinese people be exposed to severely increased economic pressure by the diversion of food-staples to the production of alcohol?

These, however, are speculative assumptions. The dangers of morphia as a substitute for opium-smoking are real and immediate enough to have engaged the serious attention of philanthropists and medical men in China and abroad, and to have formed the subject of special inquiry and resolutions at the Hague Conference. Ever since the promulgation of the anti-opium regulations of 1906, the consumption of morphia, either in the form of "anti-opium pills" or hypodermic injections, has steadily risen. Prior to the increase of the import duty, in that year, from five to 200 per cent. *ad valorem*, the Customs returns showed an annual import of about four tons; after the increase of duty, the trade

passed entirely into the hands of smugglers, nothing was reported at the Customs, while the consumption increased, *coram publico*, by leaps and bounds. Not only was morphia-smuggling notoriously prevalent, but the manufacture in Japan of hypodermic needles and other appliances assumed formidable proportions. Doctors in every province testified to the fact that a large proportion of opium-smokers, frightened by the official crusade against opium-smoking, had replaced it by morphia,[1] making their last state worse than their first. By Article XVI of the Convention signed at the Hague on January 23rd, 1912, the Chinese Government undertook "to promulgate Pharmacy laws for their subjects, regulating the sale and distribution of morphine, cocaine, and their respective salts," and to communicate these laws to the Governments of the Treaty Powers, which, if they found them acceptable, "would take the necessary measures to apply them to their nationals in China." Needless to say that under the conditions actually existing in China, no such laws could possibly be enforced, and that the smuggling and sale of morphia continues unchecked. By sanctioning the cultivation and smoking of opium, however, the provincial authorities are now likely to decrease the demand for the drug in its most pernicious and dangerous form.

What, then, of the future? The futility of legislation and philanthropic effort to effect the complete abolition of opium cultivation and to eradicate the opium habit in China is obvious. Nevertheless, just as in Great Britain, education, philanthropy, and the moral suasion of the temperance movement have generally reduced the national propensity to drunkenness, so it may reasonably be hoped that the moral effect of an undoubtedly active force of public opinion in China will gradually succeed in controlling and reducing the tendency to excessive use of opium. By

[1] Vide *The Times* correspondent at Shanghai, July 3, 1908.

restrictive legislation of a practical nature—such as that which Scandinavia has adopted with such excellent results under the Gothenburg system, and by the gradual education of the masses, progress may, and will, no doubt, be made, because of the motive force which springs from genuine recognition of the evil by an influential minority; but no permanently beneficial results are to be expected from quixotic attempts to secure the root-and-branch elimination of a deep-rooted national propensity.

CHAPTER XVI

CONCLUSION

As, in the beginning of October, I write the concluding chapter of this brief survey of recent events in China, the storm and stress of the Revolution, the wave of lawlessness and looting that swept through the provinces in the early summer, have been succeeded by a sudden calm. "Uncannily quiet," is the journalistic description of the present condition of the Chinese people; and upon this happy state of affairs many conjectures are being based, generally hopeful for the stability of the new *régime*. "The Republic has evidently come to stay," writes one who, but lately, despaired of its chances. "There are unexpected signs of continuity in the Republican Government," is an official opinion, founded on the apparently cordial *entente* between Yuan Shih-k'ai and Sun Yat-sen, and on the amalgamation of the several groups of the Nationalist party. A guarded optimism is once more the order of the day in the European Press, the nation's gradual recovery of a measure of economic equilibrium being naturally (though erroneously) connected in the minds of the majority of distant observers with an actual or impending solution of the political problems.

Nevertheless, the explanation of this sudden lull in the storm of China's unrest lies not in any activity or inaction of politicians, nor can it be construed to imply that the country has understood and accepted the principles of

At the Gate of the Wai-wu-pu.

Republicanism as a remedy for the constitutional ailments of the body politic. The explanation, like the fundamental cause of Chinese unrest, is to be found in the region of elemental economics. It lies in the fact that for the past three months the great mass of the people has been busily engaged in something more profitable than political speculations, namely, in the reaping and gathering of exceptionally bountiful crops. And the fact that the nation's chances of daily bread have been menaced during the past year by the disorders of civil war makes this special harvest a messenger not only of plenty but of peace in the land. Not only does it solve the ever-insistent problem of daily bread for millions of the industrious, law-abiding peasantry, but it brings back to their homes and to fruitful labour large numbers of those who had joined the predatory rabble of the military element. It removes, for the time being, the fundamental cause of disorder; it affords visible means of subsistence to the masses, a revival of inland and foreign trade, and, therefore, good prospects of internal peace for a season. Nothing could emphasise more fittingly than this the radical indifference of the masses to political questions, and, at the same time, their marvellous recuperative powers of dogged industry. To them it matters not whether the Government call itself Monarchy or Republic. "These, hewers of wood and drawers of water; these, bent under burdens or torn of scourges; these, that dig and weave, that plant and build; workers in wood and in marble and in iron, by whom all food, clothing, habitation, furniture and means of delight are produced for themselves and for all men beside; men, whose deeds are good, though their words may be few; men, whose lives are serviceable, be they never so short, and worthy of honour, be they never so humble";[1] continue unswervingly to follow the path of labour prescribed by immemorial tradition.

[1] Ruskin, *Sesame and Lilies*, Lecture III.

"Hence it is," says a writer[1] whose work displays intuitive sympathy for the Chinese people, "that in China government is neither arbitrary nor indispensable. Destroy our authorities, central and provincial, and our life will proceed very much as before. The law we obey is the law of our own nature, as it has been evolved by centuries of experience, and to this we continue our allegiance, even though the external sanction be withdrawn. Come what may, the family remains, with all that it involves, the attitude of mind remains, the spirit of order, industry, and thrift. These it is that make up China; and the Governments we have passively received are Governments only so long as they understand that it is not theirs to govern, but merely to express in outward show, to formulate and define an order, which in essentials they must accept as they accept the motions of the heavens. China does not change. The tumults of which you make so much, and of which you are yourselves the cause, are no signs of the break-up of our civilisation. You hear the breakers roaring on the shore; but far away beyond your ken, unsailed by ship of yours, stretch to the blue horizon the silent spaces of the sea."

So much has been said and written of recent years about the break-up of China, that it is worth while to consider precisely what has been, and what is, the nature of China's civilisation, which contained all the elements of longevity and cohesive strength before the uprising of the Persian Empire, before Greece and Rome had laid the foundations of the civilisation of the West. It is essential, in the first place, to realise clearly that the foundations of the Chinese system are essentially moral, as distinct from material and military foundations. Not by any perfection of the art of government, not by persistent genius of administration, not by force of arms or subtlety of statecraft, has China maintained through the long centuries her homogeneity of language, of manners and of fundamental beliefs: but by virtue of a system of moral philosophy, deep-rooted and enduring through and above all material crises, a system which has

[1] G. Lowes Dickinson, *Letters from John Chinaman.*

become ingrained in every fibre of the national life, inculcating filial piety, industry and patience as the whole duty of man. This is the civilisation of China, an Empire that has not lived by the sword and will therefore not perish by the sword; a civilisation whose social structure has endured, unchanging and unchanged, while dynasties rose and fell, while the Empire's frontiers expanded and shrank again, under native princes and alien rulers, a civilisation deep-rooted in the steadfast soul of a people.

It is impossible not to recognise in the moral qualities developed by Confucianism and ancestor-worship a fundamental cause of the longevity of China's social structure and of the innate strength of her civilisation. "In no country that is or was," said Sir Robert Hart, "has the commandment 'Honour thy father and thy mother' been so religiously obeyed. . . . It is, in fact, the keynote of the family, social, official and national life, and because it is so, their days are long in the land God has given them." Through the long course of Chinese history, we may perceive the effect of this solidarity of the race-mind, combined with forces of economic superiority (born of an exceptionally severe struggle for existence) effecting the mental subjugation of alien races, including the Empire's barbaric invaders and conquerors. Tartars, Mongols, Manchus, each in their turn have been dominated and absorbed by the mental and moral superiority of the conquered race, and even when the Chinese Empire was partitioned and governed by several rulers, the spirit of its homogeneous civilisation remained unconquered and unconquerable.

The innate qualities of industry, thrift and shrewd common sense which constitute the economic superiority of the Chinese, need not be emphasised; even the Anglo-Saxon can only protect himself against them by rigid Exclusion Acts. It is a superiority bred of long centuries of penurious toil, which asserts itself, regardless of climate, environment and social conditions. Had the Chinese been

captives by the waters of Babylon, they would have proceeded to eat up the Babylonians, even as they have eaten up the Manchus in Manchuria. The white races dare not face this Yellow Peril, and so the twentieth century witnesses the strange spectacle of Europe and America sending missionaries to preach the brotherhood of man to a race which they rigidly exclude from the white man's countries; sending doctors to diminish the death-rate of a land to which they deny the alleviation of emigration; sending the Gospel of the Kingdom of Heaven to a people "ring-fenced" within ever-narrowing limits on earth.

The non-militant quality of China's civilisation, the passive philosophy thereby inbred in the race, which exposes its territories, to-day as in past ages, to the aggression of materially stronger nations, is a quality directly attributable to Confucianism, to the doctrines of the Superior Man. "They believe in right so firmly," said Sir Robert Hart, "that they scorn to think it requires to be supported or enforced by might"; also, as I have pointed out elsewhere, it has never been the custom of this philosophical race to inquire too closely into the antecedents or proceedings of their rulers. Politically speaking, and bearing in mind the great changes which have taken place in the nation's political environment during the past fifty years, it is evident that the very qualities which have contributed to the longevity of China's social structure entail upon the race certain disabilities and defects. "The parental despotism of China," says Mill, "was a very fit instrument for carrying the nation up to the point of civilisation which it attained. But having reached that point, it was brought to a permanent halt, for want of mental liberty and individuality; requisites of improvement, which the institutions that had carried it thus far, entirely incapacitated it from acquiring; and as the institutions did not break down and give place to others, further improvement stopped." [1]

[1] *On Representative Government*, chapter II.

To cite one instance in which the Chinese people now displays the defects of its qualities, it is evident that the anti-militarism of their system of government must accelerate the tendencies towards provincial autonomy which have followed naturally upon the removal of the dynasty, and this at a time when the pressure of the outer barbarian makes a strongly centralised government a matter of urgent necessity.

Young China professes to seek, by an abrupt and complete departure from the traditions of the past and the teachings of the Sages, to attain to that mental liberty and individuality which Confucianism has checked: and there are some amongst Western observers who believe in the successful accomplishment of this stupendous miracle, in the sudden translation of the Chinese race, on a magic carpet of new formulæ, from Asia's Middle Ages to the forefront of Western civilisation. "Few suspected," says one of the latest chroniclers of Far Eastern affairs, "that the Chinese could so quickly abandon the traditions and customs of ages and pull down, as it were in a single night, ancient institutions dating back to periods long before the dawn of Christendom. And none imagined that, in place of these institutions, they would set up the most democratic form of government known to modern times."[1] Opinions of this kind, born of one of humanity's commonest delusions, might be overlooked were it not that their frequency encourages an exotic and unstable class of theoretical politicians on paths fraught with new perils of unrest for the masses. That China must change many of her ancient ways to adapt herself to the new conditions forced upon her by contact with the outside world, is clear. In effecting these necessary changes, Young China, wisely counselled and firmly handled, might be—nay, will be—a power for good: but not until it has realised the hard truth that no race, by

[1] *Empires of the East*, by Launcelot Lawton. Grant Richards, 1912.

taking thought, can add an inch to its mental or material stature. The growth will come, by slow, and probably painful, educative processes; meanwhile the best government for China is not a political reach-me-down purchased at the nearest wholesale store, but "the Government which tends most to give them that, for want of which they cannot advance, or advance only in a lame and lop-sided manner," bearing ever in mind "the reservation necessary in all things which have for their object improvement or progress, namely, that, in seeking the good which is needed, no damage, or as little as possible, be done to that already possessed."[1]

Many of Young China's instincts, and notably those of a Chauvinistic tendency, are fundamentally sound and justifiable on grounds of patriotism; but because of individualism (which also is a defect of the qualities bred in Confucianism) the practical results of their activities are all too frequently marred by self-seeking and venality. Their violent opposition to foreign loans, for example, is based on a perfectly just and intelligent appreciation of the dangers which lurk behind the operations of the political money-lender: yet that opposition must be foredoomed to futility unless accompanied by earnest and united efforts towards the establishment of fiscal reorganisation and honest finance as a *sine quâ non* of internal reform. Similarly, whilst the benefits to be expected from the development of the country's economic resources are obvious to all concerned, Dr. Sun Yat-sen's gigantic schemes can profit China nothing so long as the Republic's foreign loan negotiations continue to be conducted, amidst a turmoil of strife and intrigue, by the same men and the same tortuous methods that brought discredit on the Monarchy.

The violence of Young China's iconoclastic haste threatens the ancient house Celestial with new dangers, for which the race has no immediate defence in its philosophy. The

[1] *On Representative Government*, chapter II.

weather-beaten structure will survive them, no doubt, because its foundations lie far deeper than the surface on which the politicians work; because only the gradual severance of its great roots can cause this wide-spreading tree to fall into decay. Young China itself must learn that every action is inevitably followed by some direct or indirect reaction, violent in proportion to its own violence. When, for instance, its leaders, in their furious zeal for change, decree the abolition of Confucianism, when a Republican Government Board orders the conversion of the Temple of Heaven into a model farm, it is attempting that which no alien ruler of the Chinese race has ever been able to do. It will learn, in the hard school of experience, that to attempt to destroy the foundations of the world's most ancient civilisation is a perilous adventure; upon those foundations the weather-beaten structure must continue to rest, let the latter-day architects introduce what modern improvements and additional accommodation they may desire.

For the moment, and because of the unprecedented conditions prevailing upon the passing of the Manchus, Young China, greatly daring, has declared its government to be a Republic. It would uproot the ancient foundations, the Dragon Throne, the cult of ancestors, and Confucianism, and rebuild in a day "the most democratic form of Government known to modern times." There are to be elections, declaring the will of the people,[1] and a Constitution framed upon the best models; a government based upon liberty, equality and fraternity, so that the wicked may for ever cease from

[1] The "revised laws for elections" were published, in a code of 121 articles, at the beginning of September, 1912. As examples of their general tenour and probable results, two articles are worthy of particular notice:

Art. 82.—"The election shall be void if *it be decided by the authorities* that the list is false and that the corruption involves the whole number of persons managing the business."

Art. 84 (extract).—"The election of members of the House of Representatives shall be cancelled if *it be decided by the authorities* that the person is not up to the standard."

troubling and the weary be at rest. And strangely enough, despite the conspicuous failure of European ideals of popular representative government as recently applied to Turkey and Persia, many observers of the Western world appear to be hypnotised by the grandeur of these Utopian dreams. Setting aside all human experience, they cherish an optimistic belief in the future of Chinese Republicanism. "The Republic has come to stay," they declare, and its "unexpected signs of solidarity" are welcomed by the Radical Press of England with the same illogical satisfaction which greeted the Persian Mejliss's crude essays in Parliamentarism or the Young Turk's futile experiments with the ballot-box.

If we examine the actual position of affairs at Peking and take stock of the progress made towards the accomplishment of the Republican ideal, it must be apparent to any dispassionate observer that those things which have been welcomed by many in China and abroad as proofs of continuity and solidarity in the Republican *régime*, constitute in themselves the very strongest proof that the actual government of China contains none of the elements of genuine Republicanism, but is merely the old despotism, the old mandarinate, under new names. The dreams of Sun Yat-sen and his fellow visionaries remain dreams; such solidarity as the Republic can claim is the immediate result of Yuan Shih-k'ai's successful assertion of autocratic authority. What could be more significant, for instance, of the instinctive passivity of the Chinese race than the acquiescence of Young China and the Advisory Council in the summary execution, by fiat of the President, of the Republican Generals, Chang Chen-wu and Fang Wei, accused of political conspiracy at Wuchang? Here was dictatorial power, wielded with a ruthlessness from which Tzŭ Hsi herself would have shrunk: yet the general opinion in China, instinctively recognising the need for the strong hand of authority, would appear to endorse Dr. Morrison's statement that "the chief complaint against Yuan is that

he is far too anxious not to transgress constitutional limits."[1]

In a despatch from Peking published on the 5th October, the Special Correspondent of the *Daily Telegraph* thus describes the position of the Republic at that date :

"Whilst the internal position has been considerably improved by the receipt of the new loan money, it is now generally recognised that China's task for the next six months is even more difficult than was previously thought, because new and heavy taxation must be promptly laid on the provinces in order to convert the national deficits, which have existed for several years, into surpluses, and stopping hand-to-mouth methods.

"The delay in summoning the national Parliament has allowed an unsatisfactory one-man rule to grow up in the capital. With complete provincial detachment it is undeniable that the Peking Ministries to-day are almost workless, and without functionaries. All the machinery for the provisional government is assembled under the roof of the Presidential mansion, and consequently the provinces are suspicious of the meaning of the attempts at centralisation, and further monopolisation of power will need the most careful treatment.

"It has become an urgent necessity to advance the date of the general elections and cease playing with combustible elements. No better advice could be tendered to China by the friendly Powers than this : that the prompt inauguration of proper Parliamentary government will remove half the difficulties attending loan-making, the liquidation of outstanding obligations, and other exterior questions."

Here we have "the inauguration of proper Parliamentary Government" prescribed as a remedy against the "unsatisfactory one-man rule" which has been evolved, logically, inevitably and consistently with all traditions, for the simple reason that "proper Parliamentary Government" is but the phantom of an empty phrase. On the same day as this

[1] *Pall Mall Gazette* (interview), 16th September, 1912.

despatch was published, a letter from a Peking correspondent of the *Spectator* deprecates pessimism concerning the future of the Republic:

"The position here," he observes, "has improved to an extraordinary extent; people are well satisfied with the Republic, and the opposition to the provisional President has subsided. He is certain to be elected President after the elections, and the pessimistic views of many publicists in the British Press seem unwarranted. The writer has lived too long in China to claim special credit for his opinion, but it appears to him that in Yuan Shih-k'ai the nation possesses the strong man whom it needs at this juncture. He would even hazard the conjecture that Huang Hsing[1] will be a worthy successor in the Presidency when the day comes for Yuan to leave public life."

The Strong Man—the Man of Destiny—to whom, in the regularly recurring crises of their history, the Chinese have ever looked to restore the traditions of authority and to uphold the ancient structure of the State: everything in the attitude of the several political elements, the Pao Huang Tang of the Monarchists, the Kuo-Min-Tang of the Nationalists, the Military League and the Advisory Council, points to recognition of the country's need of a strong ruler, and a strong ruler in the East means, at least, a benevolent despot. But what then becomes of the Republican ideal? What of that Parliamentary system of Government that was to be "broad based upon the people's will, directed by one great central machine, in which every province and every man in China shall have a voice?"[2] What of the new edifice of pure democracy "for the completion of which the whole Chinese people of 400 millions

[1] On the 15th September, 1912, in the house of Dr. Sun Yat-sen at Shanghai, General Huang Hsing outlined his policy for the restoration of financial stability. He proposed two remedies in lieu of foreign loans, namely, a citizens' contribution fund and an unlimited issue of unconvertible paper currency. He expressed his opinion that so great was the unanimity of public opinion throughout the country that both of these schemes should prove successful.

[2] *Vide supra*, p. 120.

had patiently prayed, secretly laboured and finally accomplished?" If we are not to be ridden by the ghosts of words, the manner in which the Republic is being consolidated in the hands of Yuan Shih-k'ai affords incontrovertible proof of the futility of the Republican dream. When the *Spectator's* correspondent says "the people are well satisfied with the Republic," he is in fact reflecting the satisfaction of the sorely-harassed inhabitants of Peking at the prospects of a restoration of government *à l'Orientale*. In other words, the activities of Young China, as represented by the leaders of the Kuo-Min-Tang, are being gradually modified by irresistible forces of instinct and traditions in a manner which justifies us in regarding the Republic as an accidental and transient phenomenon, which must be replaced within the near future, either by the absolute Monarchy of the Man of Destiny for whom the orthodox reformers wait, or by a limited Monarchy, tempered by cautious experiments in Constitutionalism.[1]

Recognising the indifference of China's masses towards all political theories, and bearing in mind the deep-rooted economic causes of unrest which must continue to afflict the nation until, by slow educative process, the existing social structure can be modified to meet its new environment, we perceive that only by the iron hand of authority can the nation be preserved at peace with itself and with its neighbours. The urgent necessity for the strong man is recognised as clearly by the innate commonsense of the Chinese people as by the collective intelligence of foreign diplomacy at Peking, a fact which, to thinking minds, disposes once and for all of the theory that the nation is at present capable of self-government, or Young China capable of evolving an efficient administration based on democratic principles. Whether Yuan Shih-k'ai possesses the qualities requisite in the Man of Destiny, time and the hour will prove. At least, he stands alone, accepted by almost universal consent of native

[1] *Vide supra*, chapter VII, p. 149.

and foreign opinion, as the highest available combination of courage and intelligence, at the present crisis of the nation's history. The velvet glove he wears, gracefully enough, covering supple fingers of Oriental statecraft; the hand can be iron, too, as recent events have shown. It remains to be seen whether he possesses the qualities which the Chinese expect and respect in a *de facto* ruler.

For British policy in China, and especially for the protection of our commercial and financial interests, everything in the present situation points to the wisdom of supporting Yuan Shih-k'ai in the centralisation of authority, and discountenancing, as far as possible, the prevailing tendencies towards provincial autonomy. Much may be done in this direction by firmness in insisting upon such conditions in all future loans as shall ensure the Central Government's direct control over expenditure. Much may be done, through the same powerful agency, if intelligently directed, towards progressive development of the country's economic resources, by means of honestly administered reproductive enterprises. Social reforms, for alleviation of the grievous burden of economic pressure, must necessarily be of slow growth: but by the encouragement of scientific measures for the improvement of physical conditions, such as the land reclamation scheme proposed by the American Red Cross Society[1] for the perennially flooded region of the Huai river,

[1] In the Report to the Chinese Government recently submitted by Mr. C. D. Jameson, engineer-in-charge of the American Red Cross Society's relief and survey works in the famine districts of North Anhui and North Kiangsu, it is estimated that, by the execution of works to cost less than four millions sterling, it would be possible to reclaim for regular cultivation an area of about 17,000 square miles, in which at present the peasantry do not gather on the average more than two crops in five years. In addition to this, an area of more than a million acres of land, now covered by swamps and shallow lakes, would be made fit for farming. A population now consisting chiefly of beggars and nomad thieves might thus be converted into food-producers and tax-payers, with more immediate benefit to the State—and incidentally to the security of foreign bondholders—than is likely to result from any of the purposes for which Young China proposes to borrow foreign capital.

Famine Victims after a Month's Work under the American Red Cross.

Famine Relief Work.

relief and permanent benefits of a practical kind would be conferred upon the people.

Pending the gradual re-establishment of fiscal administration in the provinces, and the creation of new sources of revenue by the Central Government, it is evident that China must be dependent, to a very considerable extent, upon foreign loans: the opportunity thus created is one which might well be directed to ends more beneficent than any attainable by making British policy dependent upon the success of Parliamentary institutions at Peking and Nanking. To encourage loans for the "re-organisation of the Chinese Government," or for the financing of Sun Yat-sen's fantastic railway schemes, means, in the end, increasing the undeserved hardships of the Chinese people, placing upon them new burdens of mandarin dishonesty and wasteful finance. What has been done in Egypt, what was done before 1909 in Macedonia, with such good results, can be done, without violation of sovereign rights or *amour-propre*, to re-organise and consolidate the internal finances of China by gently, but firmly, insisting that British capital shall be expended for the benefit of the country and not for the benefit of the mandarin. To this end, it is essential to discountenance the misguided proceedings of those whose publicly-proclaimed sympathies tend to confirm in Young China an exaggerated sense of its importance and confidence in the practicability of its political phantasies.

It is easy to speak smooth things, to express a hearty, generous belief in the prospects of vast prosperity on the immediate horizon. Nevertheless, the sympathetic optimists whose opinions and advice flatter the vanity and encourage the pretensions of the Chinese student class, incur a serious responsibility. To maintain, in the matter of finance, for instance, that China should be "mistress in her own house" is a dangerous creed: China, in whose capital the Foreign Legations are protected by the armed forces of eight nations; China, whose only reliable revenues have been collected

under the supervision of foreigners for more than half a century. Not by such means can the educated classes be brought to a fitting sense of the country's real needs, or imbued with the elements of wisdom in social and political economics. The interests of the Chinese masses and of British commerce alike will best be served by a policy of gradual rebuilding on the ancient foundations of China's social structure, making sincere efforts towards fiscal and financial re-organisation precede tariff revision, large foreign loans, and other stop-gap expedients; making recognition of the Republic dependent upon the establishment of a central Government representative of the nation, to the extent that it shall command at least enough loyalty from the provinces to prevent overt breaches of Treaty, to guarantee the ordinary revenues of the country, and to ensure continuity of policy. Much can be done, in co-operation towards these ends, by wise counsel given in mission schools and colleges under European teachers; by gentle firmness in the attitude of our diplomatic and Consular agents, and, above all, by the intelligent direction of our political finance.

Given reasonable time for the inauguration of such gradual processes of education and reconstruction; given surcease of internal strife and some relief from the severer aspects of economic pressure; given a strong ruler, with wisdom sufficient to leave the old foundations undisturbed, directing all the Government's energies and the people's patriotism towards practical measures of social and economic reform, there would be good ground for hoping that the Chinese race might prove in the aggregate, as it does in the individual, its ready adaptability to environment. As matters stand, and until public opinion shall recognise that China's social system is the root cause of her economic problems and political unrest, the race is confronted by two alternatives, either that its surplus millions should overrun the earth or that they should starve. If ever Sir Robert Hart's dream should be fulfilled, and China possess "millions

of Boxers in serried ranks and war's panoply," prepared to enforce "the inherent and inalienable right of man to change his home and allegiance" (*i.e.*, Chinese emigration), then may the Western world look for a solution of China's problems on the lurid field of Armageddon, as foreseen by His Majesty the Kaiser. But that day is not yet: the Chinese people's opportunities of emigration in search of food are steadily being diminished by pressure of less passive races. A temporary alleviation of the pressure, sufficient perhaps to avert severe crises for two or three generations, might be effected by well-organised colonisation schemes in the northern Dependencies, by scientific land reclamation, afforestation and river conservancy works, and by development of the country's mineral and industrial resources: but the fundamental problem would still remain, a source of perennial unrest, arising directly from the social code and transmitted beliefs of the masses. To modify these by education should be the first object of Chinese reformers and European philanthropists, for so long as they persist, neither Parliamentary institutions nor foreign loans can put an end to the afflictions of the Chinese people.

It is, no doubt, because of these afflictions, ever recurring in the life story of the nation, that the patient, philosophical sons of Han have become so lovable a race. If affliction is good for the soul, the Chinese soul has received its full share of good—but whatever the origin of its excellence, we need no better proof of the inherent moral qualities and social virtues of the Chinese than the fact that the Europeans who have lived amongst them speak of them with affection and leave them with sincere regret. Despite all the material efficiency of the Western world, despite its attainments in science and art, the European resident instinctively recognises in the Chinese outlook upon life, even amongst the humblest of the population, certain elemental virtues which have been lost in the hurry of our modern civilisation. Instinctively, successful materialism

pays its tribute of respect to the hoary wisdom of the East's philosophy.

And so, whatever the immediate fortunes of China, whatever shocks and surprises may await these old-world children, suddenly confronted, after long centuries of isolation, with the troubles and terrors of our restless modernity; whatever evils they may have yet to endure because of their own inefficiency and the rapacity of their neighbours, we may, I think, rest assured that the qualities which have preserved the steadfast soul of this people through so many perils of change, will suffice in time to find a happy issue out of its present afflictions. When we remember the unperturbed and brooding spirit that dwells in China's philosophy, when we reflect on the qualities which dignify the lives of her common people, there is comfort in the words of Montaigne, who says "that all that shaketh doth not fall—the contexture of so vast a frame holdeth by more than one nail. It holds by its antiquity, as old buildings, which age hath robbed of foundation, nevertheless live and subsist by their own weight."

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CHINA & JAPAN
WITH
COREA
English Miles
0 50 100 200 300 400 500
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Heights in feet. Principal Railways
Names of Treaty Ports are underlined.
Caravan Routes Principal Steamship Routes
Limit of River Navigation
SEA OF OKHOTSK
SEA OF JAPAN
EAST CHINA SEA
(TUNG HAI)
YELLOW SEA
(HWANG HAI)
PACIFIC OCEAN
JAPAN SEA
MANCHURIA
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